

Table with exchange rates for various currencies including the Dollar, Pound, and Franc.

A Struggle To Change The Way Europe Works

By Tom Redburn International Herald Tribune PARIS — If only the economic malaise that plagues Europe today could be blamed just on the recession. Unfortunately, it can't.

Starting Over Restructuring businesses and economies.

impact of new technologies on the workplace, the intensification of competition at home and abroad, and the erosion of old frontiers that have vastly increased the international mobility of goods, services and investments.



Members of a Muslim family as they were reunited Monday following their evacuation from a besieged town in central Bosnia.

Traffic Falls, but Embargo Is Porous

By Stephen Kinzer New York Times Service SREMSKA RACA, Yugoslavia — A pledge by Serbia and Yugoslavia to cut supply lines to Bosnian Serbs has slowed but not stopped traffic crossing into Bosnia at this border checkpoint.

tries in Belgrade," said the soldier. "If their papers are in order, we let them through." But the loopholes appeared to be numerous.

ary, logistic and industrial supplies to Bosnia to push the Bosnian Serbs toward peace.

U.S., in Reversal, Yields to Europe On Bosnian Crisis

Washington, Awaiting Allied Plans, Shelves Its Proposals for Air Strikes

By Daniel Williams Washington Post Service WASHINGTON — The Clinton administration has ceded the initiative on Balkans policy to Europe, reversing a three-month period in which Washington took the lead and raised expectations that it would press for a solution, officials said Monday.

are under "active discussion" within the administration, a U.S. official said. Among them is to use jet bombers to protect at least a half-dozen "safe havens" for civilians from Serbian attacks.

Bitter Fratricidal Fighting by Militias Is Leaving Kabul in Ruins

By John Ward Anderson Washington Post Service KABUL — Mohammed Yousef peered around the corner of a garage at the nearby mountain top from where enemy militiamen shell his neighborhood each day.

year since the mujahidin ousted the Soviet-backed government, Mr. Yousef said, he has lost 12 more relatives in a power struggle between rival Afghan militias trying to seize control in Kabul.

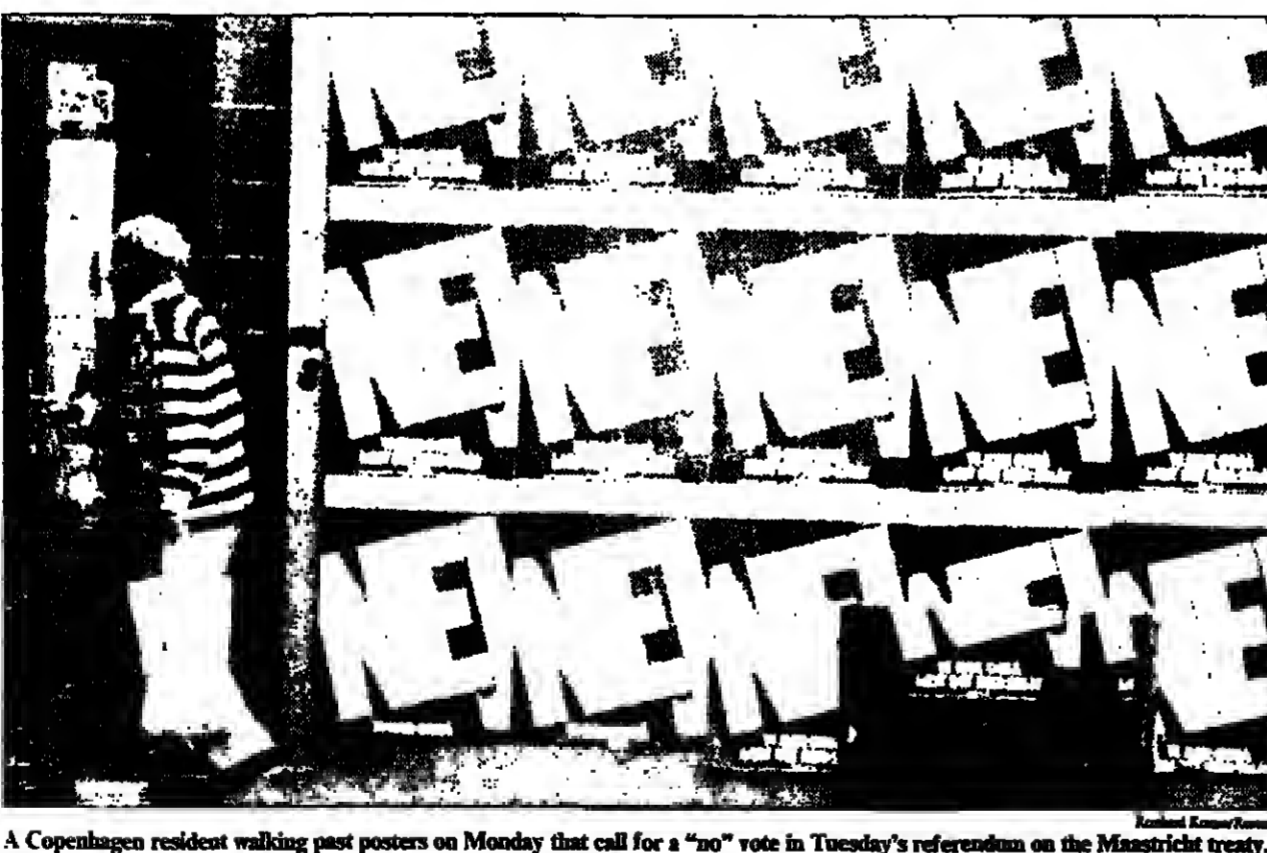
determined to either capture the capital for themselves or destroy it.

begs. Many spend their days in makeshift bazaars hawking personal belongings to pay for dinner.

Food, gas, water and electricity are in short supply. Looting and other crimes are commonplace. Garbage piles up in the streets.

100,000 Danes Will Switch to 'Yes,' Poll Says

COPENHAGEN — About 100,000 of the Danes who rejected the Maastricht treaty last June regret their action and plan to vote "yes" in the second referendum, on Tuesday, according to a poll published Monday.



A Copenhagen resident walking past posters on Monday that call for a "no" vote in Tuesday's referendum on the Maastricht treaty.

A Novel Kind of Revenge In Business Fiction, Japan Tells All

By Andrew Pollack New York Times Service TOKYO — In the image of its economy that Japan likes to present to the rest of the world, diligent workers devote their lives to the company that employs them, management decisions are made by harmonious consensus, and networks of affiliated companies work together for the common good.

affiliated with an industrial giant, have been hailed as a reason for its competitive success in the world, the novel paints a grim picture of captive suppliers exploited by the parent company.

Kiosk section containing news snippets: 'Hoxha's Widow Gets Longer Sentence' and 'General News'.

In Beijing, a Sleeping Dragon of Fashion Awakens. By Suzy Menkes. International Herald Tribune. BEIJING — Over the three-tiered pagoda roof of the Temple of Heaven fluttered a flock of birds — released by Chinese models dancing down the runway in denim miniskirts, striped T-shirts and zippered sportswear.

JAVICO 1350

Next Step for Allies: Complete Isolation Of Serbs in Bosnia

By Joseph Fitchett
International Herald Tribune

PARIS — The international response to the Bosnian Serbs' rejection of the Vance-Owen peace plan will focus on completing their isolation, including a cutoff of military supplies as pledged by Slobodan Milosevic, the leader of neighboring Serbia, diplomats said Monday.

In the longer run, the diplomats said, Western governments now face a stronger probability that military action eventually will be needed to stop the fighting in Bosnia-Herzegovina.

Although no Western consensus has been reached, they said that the Clinton administration seemed to be shifting closer to the more cautious approach to intervention advocated by its European allies.

European leaders, visibly worried about U.S. lack of resolve over Bosnia, sought to play down transatlantic recriminations and instead emphasized the common ground between themselves and Washington.

The British defense secretary, Malcolm Rifkind, said that "the United Kingdom has not excluded military intervention in some form."

In Paris, the Foreign Ministry reminded reporters of official statements by the new center-right government supporting "more relaxed relations" between France and NATO as a new tone reflecting European concern that an impasse over Bosnia could undermine American support for NATO.

With Western governments seeking to decide what Mr. Rifkind called "what further pressure we're going to apply" to Bosnia's defiant Serbs, the Russian foreign minister, Andrei V. Kozyrev, started a week-long trip to the former Yugoslavia and in Western Europe to discuss ways of imposing a political solution.

Moscow, too, now faces more pressure for action against the Bosnian Serbs' defiance of international pressure. In place of the Vance-Owen plan, their leaders urged partitioning Bosnia-Herzegovina into three ethnic states for Serbs, Croats and Muslims — an outcome that would leave open the way for Serbian conquests later.

Even though the Clinton administration has been lukewarm about the Vance-Owen plan, a U.S. official said Monday that it provided

a litmus test for the international community: the plan amounted to ethnic partition, but kept the symbolism of a multiethnic state called Bosnia.

As such, the plan provides a minimum of consensus among Western governments, partly because it fits with the need of European governments to be able to claim some continuity in their policies as they edge toward a tougher line.

Similarly, a French official said, leaders in Britain and France "feel they cannot afford the backlash in public opinion of seeing our troops suddenly turn around and pull out just as the killing in Bosnia suddenly gets worse."

That, he said, is the root of European objections to U.S. proposals, including arming the Muslims and launching air strikes, that would increase the carnage, at least temporarily.

For Britain and France, stepped-up military pressure should center on changing the UN-proclaimed "safe havens" for Bosnia's Muslims into militarily defended areas.

European governments could defend that approach as an extension of their policies of humanitarian assistance. Such defensive perimeters could be combined with U.S. air power, but they would also need at least a token U.S. ground force of perhaps 1,000 men.

Despite the well-publicized contacts on Bosnia between Washington and its allies, European officials asserted Monday that the Clinton administration had avoided the tough discussions that it claimed it wanted.

Disclosing what he called a revealing episode, a European official said that when Secretary of State Warren M. Christopher visited Brussels this month, the NATO secretary-general, Manfred Wörner, proposed a classic power play to spur action by the alliance.

He offered to convene a meeting of allied ambassadors to listen to U.S. ideas, which Mr. Wörner would then support as a vital initiative for NATO's credibility.

But Mr. Christopher insisted on continuing his persuasion to bilateral talks, saying that he feared that a strong-arm approach might open rifts in the alliance. This account was confirmed by a U.S. official who shares European concern about irresoluteness in the White House.



Bosnian Serbs loading machine guns Monday in Lipovac, near Brcko, as fighting between Serbs and Muslims continued in the area.

'No Excuse' Now for West, Muslims Say

Compiled by Our Staff From Dispatches

PALE, Bosnia-Herzegovina — Bosnia Serbs called for a new peace plan for Bosnia after declaring the current one dead, but senior officials of the Muslim-led government said on Monday this meant that the West no longer had any excuse to avoid "decisive action."

"The plan is dead, long live the new plan," said the leader of the Bosnian Serbs, Radovan Karadzic, after his people finished voting in a referendum on whether to accept it or not.

He said that preliminary results of the weekend referendum indicated "a vast majority" of "no" votes. And Bosnian Serb radio said that 95 percent to 99 percent of voters had rejected the plan in seven municipalities with ballots counted as of late Monday.

"This should be a signal to the world community to take decisive action for Bosnia," said Tajana Ljucic-Mijatovic, a member of the government's seven-person security presence, speaking in the capital, Sarajevo. "Now there is no excuse."

"Now there are only two options," said Mr. Ljucic-Mijatovic, an ethnic Serb in the mainly Muslim government. "The world can intervene and implement the Vance-Owen plan by force or the war will continue."

The Bosnian Serbs under Mr. Karadzic oppose the plan drawn up by the UN representative, Cyrus R. Vance, and the EC media-

tor, Lord Owen, because it demands they give up a third of the territory they now control and proposes dividing Bosnia into ethnic cantons.

The commander of Bosnian Serb forces, General Ratko Mladic, asserted that the Serbian state in Bosnia-Herzegovina was already a reality and that the world could do nothing about it.

"It's like some newborn baby," he said. "Maybe you didn't want to have it with a certain lady, but there it is."

Mr. Karadzic on Monday apologized for General Mladic, who threatened the day before to bomb Western cities if the West intervened in Bosnia.

"That was an irresponsible and emotional reaction," Mr. Karadzic said in an interview with Sky News of Britain. "He shouldn't be authorized to make any statement and, second, he is not deciding about such cases."

General Mladic threatened Sunday to wreak revenge if the West resorted to air strikes in an attempt to force the Bosnia Serbs to support the Vance-Owen plan.

He also said that foreign troops would "leave their bones" in Bosnia if they intervened.

or are missing since the Bosnian Serbs rebelled against a Muslim-Croatian vote in February 1992 to secede from Serb-dominated Yugoslavia.

General Philippe Morillon, the UN commander for Bosnia, said Monday that he favored expanding ground troops to protect Muslims in six UN "safe areas." But he also said, without elaboration, that he had asked his superiors for air support as part of that mandate.

Muslim-Croat fighting for Mostar continued for the eighth day, further underscoring the difficulties of ending the 13-month-old war. Both Muslims and Croats have signed the peace plan rejected anew Sunday by their Serbian foes.

Under the plan, giving each ethnic group control of three provinces and making them share a 10th, Mostar would be controlled by the Croats. UN officials say the Croats started the latest fighting, apparently seeking to push the Muslims out of the city.

Bosnia's Muslim president, Alija Izetbegovic, was to meet with President Franjo Tudjman of Croatia and Lord Owen in Mostar on Tuesday to try to make peace.

The meeting comes amid growing concerns in the Muslim-led Bosnian government that Croatia has turned against Bosnia and may be party to a Serbian-Croatian deal to divide Bosnia-Herzegovina between them.

More than 138,000 people have been killed (Reuters, AP)

WORLD BRIEFS

Lafontaine Seeks to Head Bonn Party

BONN (Reuters) — Oskar Lafontaine, the Social Democrat who was defeated by Chancellor Helmut Kohl in 1990 in reunited Germany's first general election, said Monday he was ready to run again.

Mr. Lafontaine said he would be ready to become the party's chairman or its standard-bearer against Mr. Kohl in 1994, a party spokeswoman reported, as the Social Democrats, the main opposition party, met to search for a new leader. Its chairman, Björn Engholm, quit on May 3 over a political scandal.

Mr. Lafontaine, the Saar state premier who turned down the Social Democratic chairmanship after his stunning defeat in the December 1990 elections, was the fourth prominent Social Democrat to make a bid to take over the disoriented party. In the meeting, the front-running candidates Rudolf Scharping and Gerhard Schroeder urged the party to name a new leader before the summer break in July.

Egypt Curbs Militants' Phone Links

CAIRO (Reuters) — Egypt has cut direct-dial telephone links with Pakistan, Afghanistan, Iraq, Sudan and Iran to make it harder for Muslim militant leaders in exile to communicate with groups at home, although it is possible to place calls to those countries through an operator.

The Al Akhbar newspaper on Monday said President Hosni Mubarak announced the decision during a flight home from an eight-day tour of Gulf countries, in which he discussed his concern about outside support for violent militants in Egypt. Muslim radicals have attacked the police, tourists and Copts over the past year.

"The president indicated that this measure had been taken because investigations had proved telephone and fax calls had been made from these countries to hired elements to organize terrorist acts," the paper said.

Thais Issue Summonses After Fire

BANGKOK (AP) — Thai police have issued summonses for the owners of the doll factory where a fire last week killed 187 workers and left 80 other missing, according to news reports Monday.

Among those summoned, the radio reports said, were Kenneth Ting, chairman of Hong Kong-based Kader Holdings, which is the indirect owner of a 40 percent share in the doll factory; executives of Thai Chin Fu International, the Thai company holding a 40 percent stake; and three Taiwanese investors who hold the remaining 20 percent. Kader Holdings issued a statement late Monday saying Mr. Ting had received no notice of any summons from Thai authorities.

The police said they were also seeking the factory's managing director, architect and engineer, according to The Nation newspaper. The report added that if those summoned for questioning did not respond within three days, police would issue warrants for their arrests.

Peres Is in India to Solidify New Ties

NEW DELHI (NYT) — Foreign Minister Shimon Peres of Israel arrived here Monday on the first official trip in 40 years by an Israeli leader to this country, which has long espoused the Palestinian cause, and spoke of the range of economic and technological areas where the two sides could cooperate.

"We have been waiting for this moment for 40 years," Mr. Peres told a gathering of India's industrial barons soon after he laid a wreath at the memorial to Mahatma K. Gandhi, who led the Indian independence movement against Britain more than 50 years ago.

Peru Terrorists Call 'Armed Strike'

LIMA (AFP) — Shining Path rebels set off a car bomb and killed a taxi driver Monday at the start of a 72-hour "armed strike" that partly halted transportation here and in other cities, government officials said.

The latest attacks brought the death toll to 5 and the number of wounded to about 10 since the terrorist group first announced it would stage the strike to mark the 13th anniversary of its guerrilla war.

Government officials said the strike had only partly disrupted transportation in Lima and other cities. The car bomb caused no casualties, but the taxi driver was apparently shot for ignoring the strike call.

British Rail Opens Tunnel Terminal

LONDON (Combined Dispatches) — British Rail opened a new terminal Monday at Waterloo Station where passengers will travel by train to Paris and Brussels through the Channel tunnel.

Trains will initially leave London 15 times a day to both Paris and Brussels but this will increase to eight an hour. Engineers and attendants will be able to speak both English and French and will stay on board from start to finish. The journey from Waterloo to Paris will take three hours but the travel time will be reduced later.

Meanwhile, a strike by motormen seriously disrupted service to the northern suburbs of Paris on Monday morning. The strikers were protesting an attack on a motorman Sunday.

President François Mitterrand will inaugurate the new high-speed rail service to Lille and the north of France on Tuesday. The service, which puts Lille within 50 minutes of Charles de Gaulle airport outside Paris, will later be extended through the Channel tunnel to London and to Brussels. Although the train will bring much of northern France closer to the rest of the country in traveling time, regular railroad users in the region have complained about an increase in fares.

London Times Sees Hoax In Royal Bugging Story

LONDON — British newspapers may have been duped by hoaxes into publishing a report that security services bugged a dispute between Prince Charles and Diana, The London Times said Monday.

The tabloid Sun caused a sensation last week when it published what it said was a transcript of a conversation between the heir to the throne and his estranged wife, in which they bickered and referred to a possible custody battle for their children.

"The authenticity of the alleged conversation between the Prince and Princess of Wales that so excited politicians and tabloid newspapers last week was in serious doubt yesterday," said The Times, a staplemate of the Sun.

Its report said that a hoaxer, Joe Flynn, was credited "in some quarters" as having pulled off the scam while another prankster, Rocky Ryan, well-known for feeding fictitious "exclusives" in the tabloids, called the Times in say he wrote the transcript.

Buckingham Palace, cabinet ministers and the prince himself have poured scorn on the allegations while editors and royal writers have backed their stories, leaving readers wondering whether the royals were bugged or the stories faked.

Expert Says Cult Leaders May Have Had Death Pact

WASHINGTON — A forensic expert said Monday that the cult leader David Koresh and his senior aides may have died in a suicide pact when fire engulfed their besieged compound last month, killing more than 80 followers.

Dr. Cyril Wecht, a forensic pathologist hired by lawyers for Mr. Koresh's family, said his preliminary investigation showed that the Branch Davidian leader and his senior assistant, Steven Schneider, had both been shot in the head.

"The body is that of David Koresh," Dr. Wecht said on ABC television. "He has two gunshot wounds in the head."

Dr. Wecht, who has worked on numerous mysterious deaths, including that of Elvis Presley, said an 18-year-old dental mold of Mr. Koresh's teeth and a known gun-

Has the Cheetah Outrun Its Chances for Survival?

By Bill Keller
New York Times Service

OKAPIUTA, Namibia — Of the two species the American conservationists work with here on the thorn-tree plains of central Namibia — cheetahs and farmers — it is hard to tell which is more vexing.

The cheetah, with its magnificent but overspecialized body and its genetic frailties, defies all the conventional strategies for protecting it from extinction. The farmer, who is inclined to see the cheetah as vermin and the conservationist as a hookish buttiny, makes an unlikely partner in the salvation of the species.

Can these two troublesome vertebrates be reconciled? According to Daniel Kraus and Laurie Marker-Kraus, a husband-and-wife team who sold their belongings and moved to Namibia from Oregon two years ago to study the world's largest remaining cheetah population, the answer to that question will determine whether cheetahs

are around to astonish animal watchers of the next century.

"There's a handful of people here, maybe a thousand farmers, who basically have the long-term survival of the species in their hands," Mrs. Marker-Kraus said at the borrowed farm that houses their Cheetah Conservation Fund.

The Americans' mission combines science and salesmanship. One day they are stapling car tags onto captured cheetahs to trace their range across the hazy ranchlands. The next they are trying to persuade bemused farmers that, rather than gunning down the cats, they should cheetah-proof their livestock by mingling a few hard-kicking donkeys among the cattle, or by upgrading from border collies to more aggressive breeds of guard dog.

The cheetah's decline, from more than 100,000 at the beginning of the century to fewer than 12,000 today, was largely manmade. They have been hunted, crowded and captured to the brink of extinction. Potentates of past centuries were bewitched by the cheetah's willowy grace and soulful black markings.

Everyone from Charlemagne and all the Italian noblemen, they all had cheetahs in their royal courts," Mr. Kraus said. "Genghis Khan, Kublai Khan. Everyone. Akbar the Great in India in the 16th century had 9,000 cheetahs in his 49-year reign. That's close to

the surviving population on earth now."

Nature has been an accomplice in the cheetah's predicament. For one thing, it built the cheetah for explosive sprints. With its long, angular body, its supple spine and cleat-like claws, and its enlarged nasal passages for snorting

It defies all conventional strategies for protecting it

in air during pursuit, the cheetah can chase down an impala at 115 kilometers (70 miles) an hour.

But the aerodynamic design left the cheetah too small and short in the tooth to defend its catch against more aggressive predators. In the crowded confines of a game preserve, circling vultures will often attract lions and other hijackers while the breathless cheetah is still panting over his kill.

Moreover, cheetahs do not propagate well in captivity, for reasons most scientists attribute to excessive inbreeding after a population decline thousands of years ago. The cat lacks the genetic variety it needs to assure fertility and to protect against disease.

Because it frustrates its would-be saviors, Mr. Kraus said, the cheetah has not made the short list of charismatic vertebrates that excite fund-raisers and attract research grants.

The two Americans, have a flair

POLICY: Awaiting Allies

(Continued from page 1)

Owen, Radovan Karadzic, the Bosnian Serbs' leader, declared the Vance-Owen plan dead.

In the interim, Moscow proposed a major meeting on the Bosnian conflict at the United Nations. The meeting, called by the Russian foreign minister, Andrei V. Kozyrev, was to be part of a general gathering to discuss UN peacekeeping.

Mr. Kozyrev's call caught the Clinton administration off-guard, and the State Department indicated that Mr. Christopher would not attend. The meeting will probably be postponed, State Department officials said.

Mr. Christopher's reasons for rejecting the meeting were not made clear.

On the one hand, he has pledged to consider consulting with allies and Moscow; he spoke with Mr. Kozyrev over the weekend.

On the other hand, Mr. Christopher may be wary of getting too deeply involved with one Russian proposal: a plan to carry out the Vance-Owen accord step-by-step, without the approval of the Serbs. Washington has rejected the notion of enforcing a peace against the will of any of the combatants.

EMBARGO: A Porous Border

(Continued from page 1)

More than a week ago, border guards at the Loznica crossing said they sat for hours without seeing a single truck instead of the usual 50 to 100 a day.

Both the United Nations and the European Community are considering sending observers to border crossings to verify compliance.

Dragoslav Rancic, an aide to the Yugoslav president, Dobrica Cosic, said that Yugoslavia would welcome such observers, but only if they were also assigned to Bosnia's border with Croatia. Arms are believed to flow freely across that border.

The Drina River forms most of the border between Yugoslavia and Bosnia, but even if bridges at places like Srebrenica were controlled, it could still be crossed. The river is narrow and shallow at many points, and rafts or boats, especially at night, would be difficult to detect. In addition, the Yugoslav Army is believed to maintain secret airstrips from which it has sent supplies into Bosnia.

Diplomats in Belgrade said they believed aid flowing from Yugoslavia to the Bosnian Serbs had declined but added that it was impossible to know whether the cutoff was complete.

Yeltsin Plans Visit to Poland

MOSCOW — President Boris N. Yeltsin of Russia will visit Poland after a July meeting in Tokyo of the world's seven leading industrial nations, Deputy Prime Minister Alexander N. Shokhin said Monday.

DEATH NOTICE

SELIGMAN, ETHELYNE JACKSON, 86, died May 12, 1993, at New York following a long illness. She was the beloved wife of the late prominent art dealer, German Seligman and was of invaluable assistance to him in his profession and in his writing. She was the Acting Director of the Rockwell Nelson Museum during the 1940's. Her devoted nieces, Ethylene, Anne, and Mary Jackson, as well as the Seligman family in Paris and her many friends will miss her.

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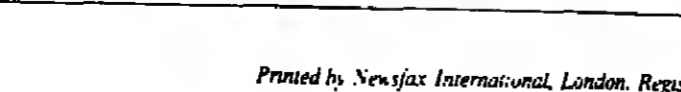
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STATESIDE / 'GIVE HIM A CHANCE'

Even Diehard Conservatives Hope Clinton Succeeds

New York Times Service
GARDEN GROVE, California — Standing on her front lawn barely out of earshot of her husband, Betty lowered her voice and told a secret. "Yes, I did vote for Clinton," said the retired school secretary and long-time Reagan Democrat, giving only her first name because she feared scorn if her family found out. "I didn't tell my husband. He voted for Ross Perot."

Now, as Bill Clinton makes his second visit to California since becoming president, Betty is a bit uncertain but still thinks she made the right choice. "I don't know whether he's on the right track or not," she said. "I just feel he's trying to do something."

Many in this city in Orange County, a bedrock of conservatism in the 1980s, offered similar views in door-to-door interviews in two voting precincts, saying they have not yet warmed up to Clinton but are determined to give him the benefit of the doubt as he struggles with issues that are close to home in this working-class community.

Instead, they attributed the country's ills to Congress, which they accused of trying to block many of Mr. Clinton's programs. His trip to California is crucial in the short

run as he tries to sell his economic program to the nation, and in the long term if he hopes to be re-elected in 1996. Last year, Mr. Clinton carried the state, the nation's largest electoral prize.

But the state's economy continues to lag behind the rest of the country because of continuing cuts in industries such as aerospace and banking and the closing of large military bases. Such woes are especially hard-felt in Orange County, home to thousands of blue-collar aerospace workers and several military bases that the Pentagon wants to shut down.

"Everybody was very excited that there was a change," said George T. Urch, chief of staff to Tom Umberg, the state assemblyman who represents Garden Grove in Sacramento. "They really want to believe in Clinton. They are really looking for an excuse to believe in Clinton, but he hasn't given them anything to believe in yet."

In the 1980s, Republicans won big in Orange County thanks to conservative Democrats who flocked in droves to the Reagan-Bush camp. But last fall George Bush got only 44 percent of the vote, thanks to the many Reagan Democrats who returned to their roots in the hope that Mr. Clinton would restore life to the area's economy. Mr. Clinton received 32 percent of the vote and Mr. Perot 24 percent.

With the economy in trouble, many who were undecided as well as some leaning toward Mr. Bush ended up voting for Mr. Clinton.

"At the last minute, I decided to vote for Clinton," Kathleen Kackley, 68, said. "But I'm kind of worried, the way things are going. I'm a senior. Hearing all this flak about the medical changes—I'm concerned about that."

Last summer, the Kackleys, both registered Democrats, said they would vote for Mr. Bush even though Mr. Kackley said he was put off by the Republicans' stance on abortion. At the time, Mrs. Kackley said she liked Mr. Bush's strong stand on family values, but later she detected a weariness in Mr. Bush and Barbara Bush.

"I just had the feeling that Bush's wife just didn't care for a second term," Mrs. Kackley said. "I thought, 'Give someone a chance here.' I didn't like Clinton at first at all. He seemed too much like a goody-goody, with his charm. He seemed more like a boy than a man. But I thought, 'What the heck. Give this man a chance.'"

Mr. Kackley, 74, stood by Mr. Bush to the end. But now he supports Mr. Clinton and scorns Congress for blocking his programs.

"Give him a little more time," said Mr. Kackley, a retired school custodian. "I think he'll be all right. They keep holding him back. They ought to get rid of them."

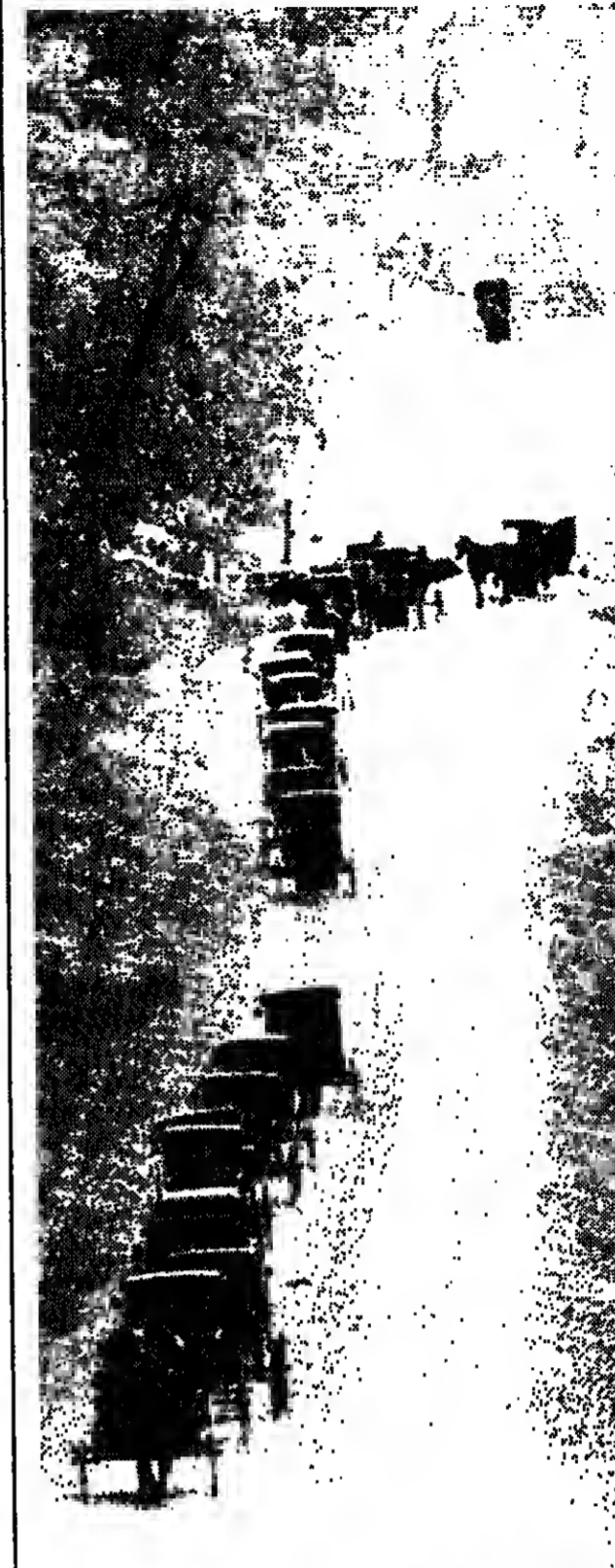
He added: "They don't want to give anybody else a chance. I didn't vote for Clinton, but now that he's in there, give him a chance."

Down the street, Robert Milhollin sat outside his wood-stucco house on a brick planter smoking a cigarette as the sun set. A registered Republican, he voted for Mr. Bush in 1988 and Ronald Reagan in 1980 and 1984, but last fall he supported Mr. Clinton. He plans to change his registration to Democratic before the next big election.

"Give him a chance," said Mr. Milhollin, 70, a retired building contractor who was a chief boatswain on the battleship Pennsylvania when the Japanese bombed Pearl Harbor. "You're not going to change it overnight. I like Clinton because he seems to use a little common sense with what he's doing."

"He can't do any worse than some of the jerks we had before," Mr. Milhollin said.

Away From Politics



SOMBER PROCESSION — Amish buggies going to a cemetery for the burial of five Amish children killed last week near Fredericksburg, Ohio. The children were hit by a car.

• The Supreme Court let stand a ruling that barred the distribution of Gideon Bibles to fifth-graders in the Rensselaer, Indiana, public school system. The justices, without comment, rejected arguments by school officials who said the practice did not violate the constitutionally required separation of church and state.

• The U.S. petroleum industry spills and leaks 11 billion gallons (nearly 42 billion liters) of oil each year, 1,000 times more oil than the 1989 Exxon Valdez spill in Alaska, Friends of the Earth charge. The environmental group said in a report that the oil industry routinely allowed leakage, spilling, venting and evaporation through inefficient operations.

• Belgian police have arrested a senior lieutenant of a New York Mafia godfather wanted in the United States for manslaughter, incitement to murder and extortion, the Brussels prosecutor's office said. The 51-year-old man, identified only as Marino C., was arrested in a Brussels suburb on Saturday following an extradition request from the FBI, an official in the prosecutor's office said.

• A man exhumed as a witch 300 years ago in Salem Village finally got a proper gravestone. The town of Danvers, Massachusetts, the name Salem Village took in 1752, made the gesture to George Jacobs Sr., who died during the witchcraft hysteria. His remains were uncovered at his homestead in the 1950s, kept in storage for decades, then buried at the Rebecca Nurse Homestead.

• Two men killed seven people and wounded two at a Fresno, California, nightclub popular with drunks and prostitutes. The police were searching for two men, one of whom authorities said had been thrown out of Carillo's Club at least twice before he and a companion returned around 2 A.M. Sunday and the club was sprayed with gunfire.

• Bill Lacy, an architect and the former president of the Cooper Union for the Advancement of Science and Art in Manhattan, has been named president of the State University of New York at Purchase.

• New York City, in its campaign to ban tobacco advertising from public property, announced an agreement with the New York Telephone Co. to prohibit such advertisements on thousands of telephone booths around the city.

AP, AFP, Reuters, NYT

POLITICAL NOTES

Clinton Agenda Has a Familiar Ring to Perot

WASHINGTON — Over a period of 10 days, President Bill Clinton has offered a campaign finance reform plan, embraced restrictions on lobbyists, railed against special-interest power and proposed a trust fund to guarantee that new taxes go to reduce the deficit.

"Sound familiar?" asks a spokesman for Ross Perot, who won 19 percent of the presidential vote in November. Indeed, and the resemblance is no coincidence. For Mr. Clinton, emphasizing the parts of his agenda that are akin to items on the Perot agenda is not only good policy, it is also political necessity. Left alone with his electoral base, Mr. Clinton stands as a minority president supported by only the 43 percent of voters who sided with him last fall. But if he can add even 40 percent of the voters who backed Perot, Mr. Clinton could create a solid majority, good not only for re-election in 1996, but for pushing his programs through Congress in the meantime.

Accomplishing that goal, however, requires delicate balance, for the two groups of voters have sharply different priorities. Perot supporters, for example, consistently tell poll-takers that for them reducing the federal deficit is the overwhelming priority. But, according to a Democratic poll-taker, Celinda Lake, Americans who voted for Mr. Clinton by and large see the deficit as only one of several priorities and generally favor expanded government spending on major social programs.

Realities like that mean Mr. Clinton must worry about alienating his own core supporters as he tries to reach out to others. At the same time, he must contend with criticism leveled by Mr. Perot at his every move.

Accord May Save Vestiges of the New Deal

WASHINGTON — After nearly three months of negotiation, a compromise has been reached on the Clinton administration's proposal to restructure the Rural Electrification Administration. Should the plan be approved by Congress, it would mark a dramatic turning point for the agency, one of the last vestiges of the New Deal. During the past 12 years, repeated attempts by Republican administrations to either kill or renege the agency were met with hostility or mistrust by rural co-ops and Democratic supporters on Capitol Hill. With a Democratic administration, the fate of this agency supporters were eager to work out a compromise that would protect the agency in principle while expanding its mission.

The agreement, worked out primarily on Capitol Hill, would cut loan subsidies to rural electric and telephone cooperatives — though not as deeply as the president recommended — and would even give the agency a new name. The agency would be folded into the Agriculture Department's Rural Development Administration. The new Rural Utilities Division would handle not only electric and telephone programs but also water and sewage programs.

Alabama Senator Back in Hospital for Tests

BIRMINGHAM, Alabama — Senator Howell Heflin, Democrat of Alabama, hospitalized for the second time in a week for chest pains, was in stable condition Monday as he awaited tests to determine if he needs heart surgery, a hospital spokesman said. Mr. Heflin, 71, was flown from the Washington area to the University of Alabama Medical Center.

Quote/Unquote

Representative Dan Rostenkowski, the very independent chairman of the House Ways and Means Committee, when the president suggested a golf game some weekend: "Are you going to be in Chicago?"

A Backing Off on Drug Prices?

White House Said to Drop Idea of Rigid Curbs

By Robert Pear
New York Times Service

WASHINGTON — President Bill Clinton's health policy advisers have suggested that the government set guidelines for new drug prices, monitor compliance and reprimand companies whose prices are judged to be excessive.

But under heavy lobbying by the drug industry, the administration has apparently backed away from the idea of trying to impose rigid, legally binding controls on drug prices. Prominent Democrats, including the Senate majority leader, George J. Mitchell, have also expressed disaste for price controls in general.

While administration officials still assert that drug prices are too high and have been rising too fast, they now appear willing to try government exhortation and voluntary restraints rather than compulsion as a means to curb such costs.

Confidential work papers obtained from the President's Task Force on National Health Care Reform suggest that the government should establish a drug price review board to set guidelines for drug prices. The board would collect data on drug prices and manufacturing costs and could, through "adverse publicity," put pressure on a company to reduce prices.

"Under this option," the papers say, "the board would collect information about prices, and it would establish guidelines as to a reasonable price for prescription drugs that have no therapeutic alternative. It would have the authority to publicly condemn any companies that violated the guidelines."

The board would be loosely modeled after a Canadian agency, the Patented Medicine Prices Review Board, which, according to a recent study by the congressional General Accounting Office, has helped slow the rise of drug prices in Canada.

Representative Fortney H. (Pete) Stark Jr. of California, chairman of the House Ways and Means subcommittee on health, has introduced a bill to create a similar board here, and the American Association of Retired Persons supports the proposal.

Drug companies dislike the idea of a price review board, fearing it would gain access to confidential data on their research, marketing, promotion and other costs. Moreover, they worry that after creating a board with limited authority, Congress might later give it power to set prices.

President Clinton has not made a decision on such a review board, nor has he decided how to prevent drug companies, doctors, hospitals and other suppliers from raising prices during the transition to a new health-care system, which could take three to five years.

The White House says the health-care proposal, originally scheduled to be issued May 3, will not be unveiled before mid-June. Senator David H. Fryer, Democrat of Arkansas, said it was reasonable for the government to renege drug prices because manufacturers would get a windfall when millions of people gain insurance coverage for drugs under Mr. Clinton's plan.

But Kevin Colgan, a spokesman for Merck & Co., said his company saw no need for a government agency to review drug prices. "The vast majority of new drugs are responsibly priced," he said in an interview. "When somebody sets an outrageous price, there are plenty of public interest groups and elected officials who can focus attention on it."

Last month, Merck proposed a voluntary system of price restraints, enforceable through contracts between drug manufacturers and the federal government. Merck suggested that companies be given the opportunity to sign such a contract "rather than be forced into mandatory legislative government price controls."

Under the Merck proposal, the average of the price increases for all of a company's prescription drugs could not exceed the general rate of inflation, measured by the Consumer Price Index.

People working for the health panel, headed by Hillary Rodham Clinton, said they welcomed Merck's proposal as an acknowledgment that some drug prices were too high.

For a decade, drug prices have been rising more than twice as fast as the Consumer Price Index and they are a ripe target for politicians because consumers often pay such costs themselves.

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The Palestinians' Opening

This was to be the session — the ninth — of the American-sponsored Middle East peace talks at which the parties would get down to brass tacks. The Israelis were elating back from their hasty deportation of Palestinian radicals and had finally agreed to sit with a Palestinian moderate, Faisal Husseini, a heavyweight whose East Jerusalem residence and ties with the Palestine Liberation Organization had kept him from the table before. Given these attractive possibilities, however, the Palestinians froze. Even when the United States met their longstanding request to come forward not as a co-ordinator but as a "full partner" and offered its own relevant paper, they found reason to quibble and let the opportunity slip by. Americans described the paper as an attempt to codify agreed principles on Palestinian self-rule of the West Bank. Palestinians detected in it a tilt to Israel. Their core complaint seems to be with Israel's insistence that self-rule must be a stage on the way to an early but separate discussion on the final status of the West Bank and not, as Palestinians prefer, on the way to an agreed Palestinian state. But the United States there is no air between the Bush and Clinton positions — organized these talks on the explicit basis that the West Bank would be approached in two bites, not one. This reflected not simply a concern for Israeli anxieties but also a belief that two bites were more feasible and ultimately more promising for both parties. It is far too early to say the negotiations are off the track. The larger strategic factors permitting progress — the ending of the Cold War and the Gulf War — still hold. So do the larger political factors — the currents of leadership and society favoring compromise in Israel and Syria. In these two countries' shared interest in exploiting the moment lies a continuing potential for a separate arrangement. For now, nonetheless, regional consensus supports at least the idea of a quest for an Israeli-Palestinian settlement to go with an Israeli-Syrian one. That gives an opening to, and puts a burden on, the Palestinians, who have difficult decisions to make and a weak political base on which to make them. So far their representatives in the peace talks are lagging. Their next chance comes when the talks resume in Washington in June. — *THE WASHINGTON POST.*

Don't Rush Health Reform

Shrouded in secrecy, Hillary Rodham Clinton's task force on health has officially revealed little about its deliberations. And though many of its decisions have leaked, a clear picture has yet to emerge, largely because the task force has not made up its mind on many fundamental questions. Holding up progress is an internal battle whose outlines were made clear last week by Mr. Magaziner, a senior task force official, in remarks to a manufacturers group. On one side are those, like Mr. Magaziner, who believe competition is the best tool for reining in health care costs while encouraging innovation. On the other side are those who believe medical costs will spiral higher until Washington slaps price controls and regulations on insurers, doctors and hospitals. The difference is so profound that it remains unclear whether the task force will emerge with a useful hybrid or a mishmash of conflicting ideas. The deep division at this advanced stage of deliberations underscores the downside of planning in secret. Whatever plan emerges will have to be sold to skeptical lawmakers who have little stake in the proceedings. In its most promising decision, the task force will call for phasing in universal coverage. Eventually every American will be provided affordable insurance that incorporates a generous list of benefits, which will probably include prescription drugs, some mental health services and perhaps even limited nursing home care. If so, the package would be better than the one provided for Medicare beneficiaries — an enormous achievement for the only industrialized country, other than South Africa, that does not provide medical insurance as a right of citizenship. But the architecture of health care delivery is only partly settled. The task force would encourage states to set up purchasing cooperatives to negotiate coverage with networks of health care providers. Residents would choose from among the plans. Some plans would resemble health maintenance organizations — panels of doctors and hospitals charging customers an annual premium. Other plans would resemble fee-for-service coverage where patients would

How to Slay Inflation?

Inflation in the United States this year probably will be slightly higher than it was last year instead of falling slightly lower, as the Clinton administration had hoped. But these differences are small and so far not terribly significant. The chief importance of the jump in prices last month is to remind the doubters that the dragon of inflation has not been slain. It is only dormant, and you just saw a twitch of its ugly tail. The April inflation numbers have had a disproportionately sharp effect on the financial markets because people remember that the Carter years. That is a burden that a Democratic president now carries, just as the next Republican president will have to lean over backward to reassure the country that he (or she) does not secretly intend to run up the deficit again. When Jimmy Carter took office, he found it hard to believe that with an unemployment rate as high as 7 percent he would not have plenty of latitude to stimulate the economy. Instead, the inflation rate shot upward. It was one of the miscalculations, and perhaps the largest of them, that destroyed the Carter presidency. No one has that painful history more clearly in mind than President Bill Clinton's economists — with, by coincidence, the unemployment rate again stuck at 7 percent. That is why the proposed Clinton stimulus program was minimal, too small to have more than symbolic meaning. As for the financial markets, a lot of investors lost substantial amounts of money underestimating inflation in the late 1970s and do not care to repeat that mistake. This flicker of inflation will make life marginally more difficult for the Federal Reserve Board, which is widely believed — especially in Congress — to have vast power to set interest rates wherever it pleases. That's only half true. It can put short-term interest rates more or less where it wants by

Other Comment

Sticking By Germany

Germany's descent from euphoria to despondency since the glorious days of reunification in late 1989 goes on and on. Strikes by metal workers are now deepening Germany's economic doldrums. The country that once assumed its industrial superiority now finds its work force overpaid and over-vacationed and its products increasingly less competitive. Yet the German economy remains the locomotive of Europe and the chief source of investment in the old Soviet bloc. Germany remains the anchor of U.S. strategy in Europe and a key trading partner. It deserves U.S. understanding. In the end, a genuinely reunited and prospering Germany will be essential if the collapse of the old Soviet empire is to bring democracy rather than instability to Europe. — *The Baltimore Sun.*

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Peasants, All of Us? Time for a New Marx

By Flora Lewis

PARIS — Karl Marx has been toppled. His useful insights, such as the importance of economic power, the organization of labor, the need for social justice and the role of the state in providing it have long since been absorbed in modern industrial societies. They are no longer identified as Marxist. His pernicious or merely fallacious ideas, such as inevitable class warfare, the evil of private property, the inability of capitalism to adapt, the "scientific" determinism immutably setting the course of history, have been swept away with the fall of communism. Rightly and wrongly, he played a key role in analyzing and calling attention to the vast problems created by the shift from primarily agricultural and artisanal to machine-powered production — the first industrial revolution. Now we are entering what the American writer Peter Drucker calls "post-capitalist society," or "the Age of the Knowledge Society and a Society of Organizations." Whatever the name, it is bringing a vast change in the way people work and consume, and undermining the accepted assumptions. The facts are visible: The transition is painful. It is now evident that unemployment, with its social, psychological and mental as well as economic distress, is not just a cyclical matter. In some ways, economic growth is not the remedy but actually the cause of disappearing jobs, which will not return when the recession ends. The push for productivity and competitiveness, the sources of economic vigor in one sense, reduce the need for labor and its value. As Raymond Barre, the former French prime minister, has pointed out, capital (high technol-

ogy) is cheaper than labor and is drying up its resource. The American economist who signs himself Adam Smith notes that for all the talk about decline of manufacturing in the United States, manufacturing still accounts for the same percentage of gross national product as it did in 1975 — but for a lot fewer jobs. "A computer doesn't charge overtime and doesn't get health care benefits," he writes. The French writer Alain Lebaube asks if we are all becoming peasants, driven off from our existing livelihoods by irresistible economic forces as farm workers have been. In 1962, 21.3 percent of the French labor force was on the farm. Thirty years later it is 5.3 percent, thanks to subsidies, and still declining. This profound economic process has not been analyzed and intellectually digested, as Marx set out to do for his time. Mr. Drucker says we do not yet understand how knowledge works as a resource. "We need a theory," he says. Most urgently, we need a theory that redefines labor and how to set its value. The difference between work and play is now essentially defined by money, whether you are paid for what you do or pay for doing it. Singing, playing football, sounding off on television, or carving wood is a job or not depending on whether it brings earnings. Even sex — performing in a pornographic movie, for example — is a job if it's paid. And the value of labor depends on supply and demand — how much do you have to pay to get what you want done the way you want it, how much are you willing to pay for that? The luckiest ones are those who earn their living doing what they would want to do anyway. Those opportunities are rather limited, but they could be much expanded by new definitions of labor and leisure, perhaps giving more weight to social usefulness. Industrial society has made labor a crucial element of identity. You are what you work at. That is why being unemployed is such a blow, even if the safety net is adequate. Being without a job is being made to feel a nobody. But at least in the transition phase of this new industrial revolution, there are not going to be enough jobs for all. There will probably have to be some kind of labor-sharing — reducing hours, establishing more part-time work on a more secure basis. But there also needs to be a new way of recognizing and appreciating the use of skills, the expenditure of effort, the value of learning and service beyond what the existing job market rewards. This is not a question of charity or welfare. It is a question of sustaining the human role in an economic system which, although it is of no good to anybody but people, has been theorized down to statistics and equations that squeeze people out. Socialists, inspired by Marx's thought, claim to advance this concern, but their Marxian approach has been discredited by undeniable failure. So a new analyst, a new theory, a new understanding of the role of labor is required. Let us hope that when the new Marx appears he will not be so arrogant, so fertile in spawning error and terror as was the old. Still, we do need one. © Flora Lewis.

They Fight For Peace And Reason

By Vesna Pesic

The writer is director of the Center for Anti-War Action in Belgrade. This is an excerpt from her recent remarks in Washington to the National Endowment for Democracy, which presented her its 1993 Democracy Award.

I WANT TO STRESS the existence of those who do not support the policies of national hatred and war. For example, a group of people in the Bosnian Serb stronghold of Banja Luka have formed an organization called the Civic Forum. These people — Muslims, Croats and Serbs — reject the notion that they cannot live together. They resist the nationalist propaganda. There are independent women's groups speaking out against the war and caring for women who have been raped and abused. There are independent associations of intellectuals who are trying to raise the voice of reason, journalists challenging the official accounts of the war, and people from all over ex-Yugoslavia working in the struggle for real peace and democracy. These people need to be recognized and supported. When I speak to U.S. and European officials about these efforts, they often respond, "You are only a small minority." My answer to them is: "Do you want us to disappear altogether? To not exist at all? Who is going to build democracy if our efforts are both silenced by our regimes and ignored by the outside democratic world?" To those who are all too ready to accept any deal with nationalist forces, to those for whom "not again" means "another time, but not now," I would point out that the so-

Who is going to build democracy if our efforts are silenced by our regimes and ignored by the outside world?

called Utopias have a concrete basis in the basic norms of international and humanitarian law. This moral vision is the only one that is practical in the long run. We feel that the international community can and must do more for all those trapped by the power games and violence in the war in the former Yugoslavia. The vacuum of the post-Communist period allowed the extreme forces in the country to gain momentum, to push us into a vicious cycle of threats, aggression and drastic violations of human rights. The international response to date has been confused and without any consistent or understandable policy.

In between packages of food and bombs there are steps that should be taken. First, there should be rapid and effective establishment of protective zones for civilians in Bosnia and Herzegovina and distribution of humanitarian aid by all means. Ultimately the international community should establish a civil administration for the whole territory of Bosnia-Herzegovina. Rather than spending all efforts and resources in order to create elaborate peace plans, the international community must attend to the immediate suffering of civilians. Long-term solutions for the region can be deliberated after an effective ceasefire. In addition, help must be given to establish and maintain a free press, television and radio throughout the region. This is essential in order to rebuild communications, to break the monopoly over information and to end the psychology of war.

Third, we need support for our commitment to the idea of individual rights. We must be able to move away from the notion and practice of collective responsibility and guilt, and develop foundations for individual responsibility, which is a basis for democratic citizenship. Not all members of a national or ethnic group are guilty of war crimes, but the individual who can be named must be made accountable. I'm not suggesting that we engage in witch-hunts after the war, but we do need fair trials for those who have committed crimes. The Center for Anti-War Action has developed a project for an international war crimes tribunal which should be supported and which could ultimately fit into the international process.

This can be a starting point in ending the historical cycle of collective revenge and in introducing the rule of law into our societies. The Washington Post.

Mideast: Weak David and Weary Goliath Give Hope

By Jim Hoagland

WASHINGTON — Weakness and fatigue have replaced war and grand diplomacy as the primary forces working for change in the Arab-Israeli conflict. Out of this inglorious shift comes a chance for movement toward lessened conflict, even if peace remains a distant goal. Weakness drove the Palestinians back to the negotiating table in Washington last month after a lengthy hiatus in the 18-month-old U.S.-sponsored negotiations. And the Palestinians stayed at the table even though Israel sealed off the West Bank and Gaza after attacks on Israeli civilians and soldiers. The Palestinians protested by emptying their settlements — reducing the size of their delegation at the talks. That wet-nozzle response captures the weakness of the Palestinians, who are trying to recoup some of the credit they had in the international community and the Arab world and then squandered by blindly supporting Saddam Hussein in the Gulf War. But the Palestinian negotiators had another reason to respond mildly: The decision to seal off the territories in fact did not upset them much. The ban deprives the Israeli economy of the Palestinian workers who normally cross into Israel every day. It underlines the growing separation of the West Bank and Gaza from Israel at a moment when Palestinian negotia-

tors are trying to find a formula for limited self-government and control over some of the land they claim. The Palestinians will not of course concede that weakness is a motivating factor in their strategy. Nor will the Israelis acknowledge that fatigue with the strife and problems of the West Bank and Gaza could affect their negotiating positions. But such weariness was apparent in the television film showing Foreign Minister Shimon Peres telling the Israelis the other day that sealing off the territories was a deliberate act of separation that could become the norm, not an emergency measure. Fatigue is not limited to the Israeli government. Most Arab regimes are worn out or atrophied by the long exercise of power on a base of steadily shrinking resources. Instead of eagerly championing the Palestinian cause, as they did two decades ago, the Egyptians, Saudis, Algerians and others are eager for an Arab-Israeli settlement that would allow them to concentrate on domestic challenges. This lay of the land has encouraged Prime Minister Yitzhak Rabin to seek an agreement with Syria by dangling the prospect of an Israeli withdrawal from the Golan territory occupied in 1967 in return for peace, and to pursue seriously with the Pal-

Asia: Two Models for a Broader Security Umbrella

By Michael Leifer

LONDON — How can Asia-Pacific nations defuse some of the potential threats to regional security following the end of the Cold War? The question will be taken up in a serious way for the first time at two linked meetings of senior officials in Singapore this week. After delegates of the six-member Association of South East Asian Nations meet Tuesday and Wednesday, they will be joined Thursday and Friday by officials from the United States, Japan, Canada, Australia, New Zealand, South Korea and the European Community (their representatives attend the meetings held after every annual conference of ASEAN foreign ministers). This week's meetings aim to set a security agenda for the next post-independence conference, in Singapore in July. Economic and political issues have dominated past conferences. One problem facing East Asia is that two working models of security, applied in different sectors of the region, do not readily transmute from one to the other. ASEAN, with an ambit restricted

to Southeast Asia, provides a model for conflict avoidance and management. It works through quiet diplomacy, not formal arrangements for dispute settlement that have never been invoked. ASEAN — whose member states are Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei — also acts as a diplomatic community by registering a corporate view on regional security issues such as the Cambodian conflict and the dispute over ownership of the Spratly Islands in the South China Sea, which puts China, Vietnam, Taiwan, Malaysia, the Philippines and Brunei at odds. The other working model of security is a network of bilateral alliances covering much of East Asia. The United States forms the hub of this alliance system, which was formed in the Cold War. Since the U.S. withdrawal from bases in the Philippines, the Southeast Asian dimension of the system has lapsed into paper commitment without military underpinning. U.S. forces stationed in the region are now con-

Getting Serious About Arms Control

By Gerald Segal

TOKYO — The time has come for a substantial effort by the Southeast Asian nations to tackle security problems. The discussions so far have been so vague as to suggest a lack of serious intent. ASEAN could begin with the most minimal form of arms control — the attempt to build confidence by enhancing transparency in military affairs. To make matters easier in a region notoriously averse to formal arms control, there is a ready-made mechanism at hand: the United Nations Conventional Arms Register. With only minor modification, the register could be developed and expanded to a regional basis in East Asia. After laborious negotiations in which East Asian states were often among the least enthusiastic advocates, the UN General Assembly agreed in December 1991 to establish a register for arms transfers. The date for submission of reports to the UN was April 30, 1993, though provision was made for those who wished to register existing holdings. Most countries are late in reporting, but the first signs are encouraging. By May 5, 41 states had filed reports, including most major industrial countries. Three — Japan, Australia and

concentrated in Japan and South Korea. The issue of security in East Asia has come to the fore since the end of the Cold War. The Soviet Union has disintegrated and Russia is a lesser factor in the regional balance of power. China is not inclined to undertake conventional security obligations. Japan, by contrast, has a strong interest in regional security on its terms and a growing capability for shaping them. Now without a major adversary, China has a unique strategic latitude in East Asia, being unhindered by a program of rearmament. A primary concern of many regional countries, including Japan and the ASEAN states, is how to contain Beijing's territorial ambitions in the South China Sea. If the sovereignty claims of China were realized, it would become the dominant power in the maritime heart of Southeast Asia. ASEAN's security model has never made provision for the collective projection of military power to counter forcible changes in the territorial status quo. The group cannot go beyond diplomacy to confront violent challenges to regional order because its members do not share a common perception of external threat, which is a precondition for forming an alliance. Moreover, there is no prospect of the residual East Asian system of security being reactivated in Southeast Asia. The United States is unwilling to assume additional obligations, while Japan will not undertake new ones. With an extended alliance network out of the question, the issue is whether and on what basis the ASEAN model might incorporate the wider East Asian region. This week's security dialogue in Singapore has much to recommend it. For example, opportunities may be found for confidence-building measures through forms of arms control by East Asian states, as well as for functional cooperation in fighting piracy and pollution. A move from the relatively intimate security culture of ASEAN to a wider multilateral structure must give rise to problems of adjustment. Nonetheless, there is a common wish to embark on the venture, in particular to discuss how to engage China. The rationale is that Beijing's participation, tied to burgeoning trade and investment in East Asia, would give it a stronger interest in maintaining regional peace and stability. Yet persuasive though such a rationale is, it falls to address the problem of power which, in a region beset by territorial disputes, cannot necessarily be overcome by dialogue. The writer, professor of international relations at the London School of Economics and Political Science, contributed this comment to the Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Regal President

PARIS — Some fuss has been made about M. Carnot declining to receive General Dreddé on the ground that the gallant officer had only brought his dress uniform to Paris and that the protocol required that generals wear full-dress uniform. It is considered strange that this Court etiquette should prevail at the Elysee, that a President, whose state dress is a plain dress coat, should insist that generals should be decked in plumes and gold lace. The papers consider this deplorable. "It was not in order to preserve Monarchical customs that France elected a President of the Republic."

1918: War on Women

NEW YORK — Mr. Henry Davidson, president of the American Red Cross, who has returned from the war zone, says that the most striking method employed by the Germans in their offensive of frightfulness against women, old men and children behind

the lines. "It is the theory that if you deprive a mother of four or her five children she will implore that a stop be put to the war to save her fifth. These methods have resulted in the mutilation of thousands of women and children and have driven hundreds of thousands of terror-stricken human beings from their homes."

1943: 299 Medics Perish

ALLIED HEADQUARTERS IN AUSTRALIA — [From our New York edition:] Two hundred-eighty-eight Australian and English medical personnel and eleven women nurses perished when a Japanese submarine torpedoed the Australian hospital ship Centaur a few miles off the Queensland coast in the darkness of the morning of May 14. It was announced today (May 18). Only 64 people were rescued. No patients were aboard the Centaur. The survivors passed 36 hours on flimsy rafts before they were picked up in the middle of the afternoon a day later.

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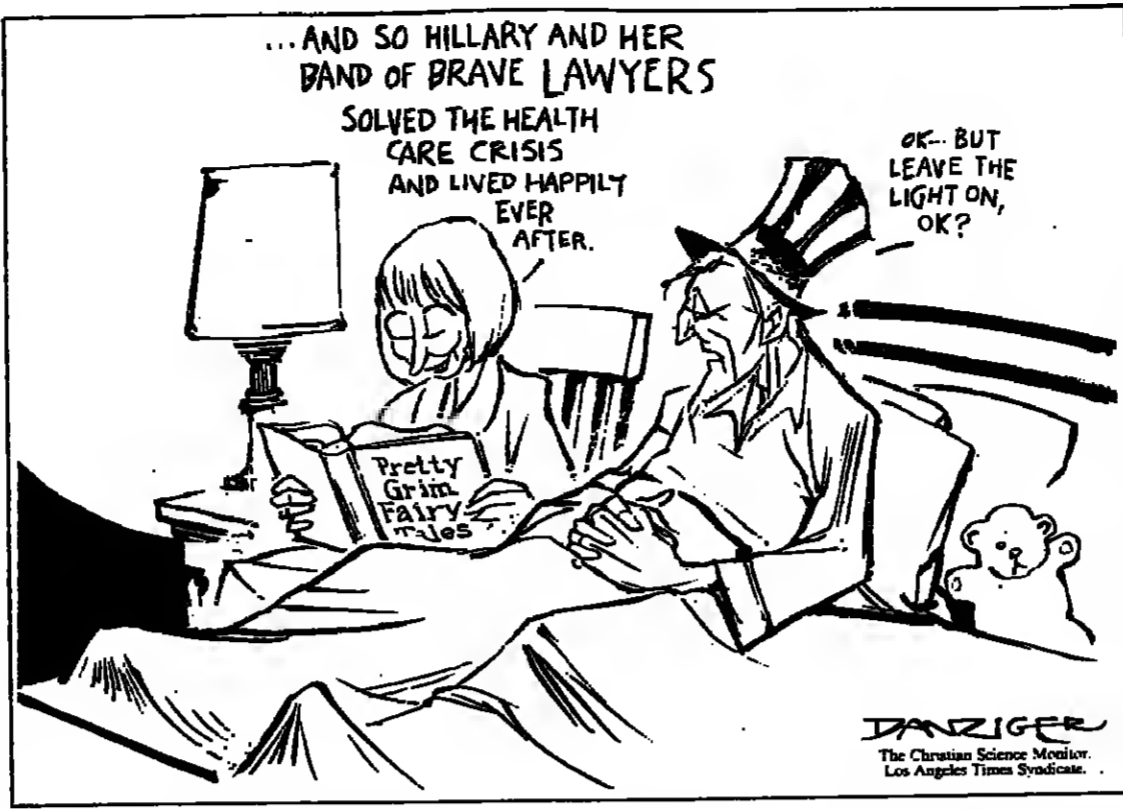
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OPINION

Beware the Talk of Focus: Clinton's 'on the Message'

By William Safire

WASHINGTON — In the White House, when your ratings start to slip — especially when your "negatives" are abnormally high — you put forward two reasons. The first is that you are "failing to communicate." This admits no misdirection or wrongdoing — merely that your press operation has flopped, or that the media are against you. After this excuse draws a large hoot, you fall back on the second line of defense: what has been lacking is not content or action or direction, but "focus." Focus is the hottest term in political discourse today. In Latin, it means "hearth, fireside," the place in the home where the family gathers, but in the lingo of today's spin doctors focus means to be "on the message" — concentrating on the one or two simple issues that ignite a campaign. When you are on the message, you can put up a sign that says, "It's the (whatever the message is), Stupid." When you stray off the message, support erodes — not because your strategy is wrong, you insist, but because you're putting so many necessary things on the public plate that people, uncomfortable with complexity, cannot digest it all. This theory reached its finest apogee when an academic argued that Ronald Reagan succeeded in his opening months because he was too dumb to govern and chew gum at once, and that Bill Clinton was failing because he was too smart and complicated. His solution? Focus. That's the mode the Clinton administration is in now. Treasury Secretary Lloyd Bentsen admits to a "diffusion of objective," George Stephanopoulos talks of a "new phase"; the president asserts the need to "refocus." The tumult of "bold experimentation" in the phrase of FDR is quoted in Mr. Clinton's inaugural, is out; focus is in. I say this is baloney not merely to be contrarian, which is always fun, but because conventionally wise focus theory fails to grasp the essence of what has energized the Clinton approach to governing: activism on all fronts. He presses everywhere for openings that will enable him to get a purchase on the power to change the direction of government. Neither the Great Communicator nor the Great Communicator, he may be remembered as the Great Turnmer — the quick-thinking, fast-talking national social director — eager to espouse ideas that reverse the stodgy notion of individual responsibility, determined to engage central government in solving society's ills. Consider the way a tie salesman sells ties. Not the way a jeweler sells jewelry, placing a single item on black velvet for close study; on the contrary, a tie salesman spreads out an array of merchandise, and if it doesn't appeal, out comes another bunch of ties. How about this — or this? You like this? That's the Clinton way. He's adaptable and energetic; he can take rejection and keep coming back. If he were an old-time prizefighter, he would be Henry Armstrong, absorbing blows, swarming in, pressing the fight.



The hocus-pocus about focus misses all that. He is the prisoner of his own style. The moment he accepts more than a modicum of policy discipline or the orderliness of hierarchical management — in that moment, he would become Jimmy Carter or ersatz Dwight Eisenhower. That tie-salesman style explains the four-month internal battle going on unseen and much-denied. Should he fight his surprising tax-and-spend budget this year, putting off his health-care revolution until he wins that first battle — or should he risk all by going for everything at once? That's been answered. His budget chief and Treasury secretary, who both urged "focus" on one budget at a time, were overwhelmed by Hillary Clinton and her health-care spending group, who made this year's budget proposal outdated on arrival. Mr. Clinton decided to put across-the-board domestic activism ahead of focus. The current White House line about a new discipline responds willingly to criticism that misses the point. Forget complaints about loss of focus by taking on too many issues; that's throwing Brer Rabbit into his beloved briar patch. Instead, conservatives should recognize two troubling themes where the Clintons are on their message: centralized power in the name of fairness and quotas in the name of diversity. The New York Times.

Easing the Sarajevo Siege, Armed Only With a Song

By Joan Baez

MENLO PARK, California — Haunting images of the bloodied citizens of Bosnia, uprooted and defiled as they try to go about the desperate business of their daily lives, have hung like a muttering shadow over my privileged, happy life. Like all who watch in horror as the slaughter proceeds, I have felt outraged and frustrated. But what could I do? What could anyone do? Then, on the eve of my recent concert tour, I was invited to Bosnia to sing. "When do we leave?" I replied. Postpon-

ing three concerts in response to the urgency of my Bosnian hosts, I flew to Sarajevo with my guitarist, Paul Pisco. Perhaps, I thought, I could lift the spirits of a people who had been under siege for more than a year. I had nothing to offer but an act of love, sharing, witness and music. I did not have an answer to this nightmare of mindless violence. But I could respond with an act of nonviolence. When a journalist suggested that I would be fiddling while Rome burns, I recalled a line from a millworker's song: "Hearts starve as well as bodies; give us bread but give us roses." I would take my finest roses to Sarajevo. The Sarajevo Holiday Inn is a notoriously dangerous place, the front entrance a favorite target for snipers. A man was shot there during our stay. My room had running water and electricity, both rarities, and, more common, a huge plastic-covered hole where the window had been. Every night reverberated with the sound of exploding artillery shells. And every morning the staff swept up the broken glass and debris. A man came to fix a broken pipe in my bathroom and explained animatedly, wrench in hand, what a magnificent hotel this had once been and how it would be again. I began to understand how important was the pretense of normalcy in the midst of chaos. We saw the famous local production of "Hair," defiantly presented once a week despite the siege. "It keeps me from going completely crazy," one actor told me. As the young cast began its soulfully energetic performance, I realized the starving cast was performing on spirit alone. A week before, two of them had been taken to the hospital for fatigue and malnutrition. But they were not crazy. They were inventing a life. Our aging armored car collapsed one day and we had to walk, the echo of artillery punctuating every step. Amid the rubble of a bakery, I heard the strains of a cello and saw Vedran Smailovic, dressed in a tuxedo. He was playing the adagio he had played there for 22 days in memory of the 22 people, includ-

LETTERS TO THE EDITOR

One Face of Islam

Regarding "Satanic Blasphemy" (Letters, April 9) from Sarajva Rahman: It is not clear whether Ms. Rahman wishes us to conclude that Muslim sensitivities justify the death sentence on Salman Rushdie. But she should be under no misapprehensions about the sensitivities of persons of the Western liberal democratic tradition. We take an extremely negative view of the incitement to murder of anyone, especially if that incitement is due to the artist's exercise of his or her freedom of expression. On this point there is, in our view, absolutely no room for negotiation. An examination of the art and literature of the world would reveal that much of it is offensive to one group or another. Were it appropriate for offended groups to put out murder contracts on the heads of the artists, and remove the works from public availability, the world would be a poorer place. The reaction seems to be one of insecurity and blind hostility to the notions of freedom. For several hundred years,

Islam was the repository of freedom and civilization at a time when Europe was engulfed in feudalism and most of the rest of the world in savagery. It is a tragic irony that a major part of Islam should now present such a face to the rest of the world. ROBERT J. WOLFSON, London.

Israelis Are Hard at Work

Regarding "Israel, Palestinian-Less, Finds Little Work Is Getting Done" (April 27) by Clyde Haberman: Mr. Haberman quotes Prime Minister Yitzhak Rabin as mentioning a "culture of idleness" afflicting Jews in Israel, and goes on to refer to "backbreaking jobs in construction and agriculture" that Israelis have "increasingly refused to do near." My metals company employs only Jews, from cleaners to managing director (the undersigned). We export 60 percent of our production in competition with manufacturers in Taiwan, South Korea and China. Our personnel has a higher work ethic than any other I have

experienced in a lifetime of industrial management in Europe and the Far East. Our productivity and quality are tested daily in competition with the world's best. HARVEY A. CHESTERMAN, Holon, Israel.

The Traveler as the Trip

Regarding "The Real Goal for Us Travelers Is Home" (Meanwhile, April 27) by Andrew Ward: Mr. Ward says that most sojourners haven't much to report about their travels other than their arguments with airlines or the oddities of fellow tourists. We are too concerned, he writes, with our own reactions to travel rather than with what glories lie around us. He's being much too hard on himself and the rest of us. I agree that if travelers are not perceptive to begin with, they are not going to be flooded with insight as soon as they pass through customs." But as one who has kept journals covering trips abroad, I know that mundane personal observa-

tions can put an indelible mark on the places we have seen. It is a method of possessing the illusive. That is how we trim history, exotica and overwhelming vastness down to size and make it ours. It is also how we stand out from the crowd. Like Mark Twain in "Innocents Abroad," we let it be known that we do not give in to the awe expected of us. In trivia we conquer. The world is already full of vacation brochures, books and newspaper travel sections. As tourists, we could memorize word-for-word what has been written, pass ourselves off as intrepid explorers and not go farther than our own suburbs. But in becoming a walking page out of Fodor's (and losing most of our friends as a result), we'd be denying private memory. Somehow humans like watching themselves as bit players against the magnificent backdrop of a Machu Picchu or Stonehenge. So what if we remember only the rotten case of indigestion we had at the pyramids? It reminds us that we actually were there. If we tourists had the kind of imagination to register brilliant observations

covering every step on the itinerary, why should we travel at all? The Portuguese poet Fernando Pessoa wrote in "The Book of Disquiet," "To travel you simply need to exist. . . . It is only within us that landscapes become landscapes. . . . The traveler is the journey." MOLLEE KRUGER, Rockville, Maryland.

Living With History

Your "In Our Pages 100, 75 and 50 Years Ago" column is appreciated not only because it provides a historical backdrop for the events of the day, but because of its personal significance to me. The events of 75 and 50 years ago make me think of the first and second world wars and my grandfather and father who fought in Europe in those wars — and, to a lesser extent, of myself working on the reconstruction and development of Eastern Europe, an artificial geographical region that was the product of both those wars. HOWARD F. REITZ, London.

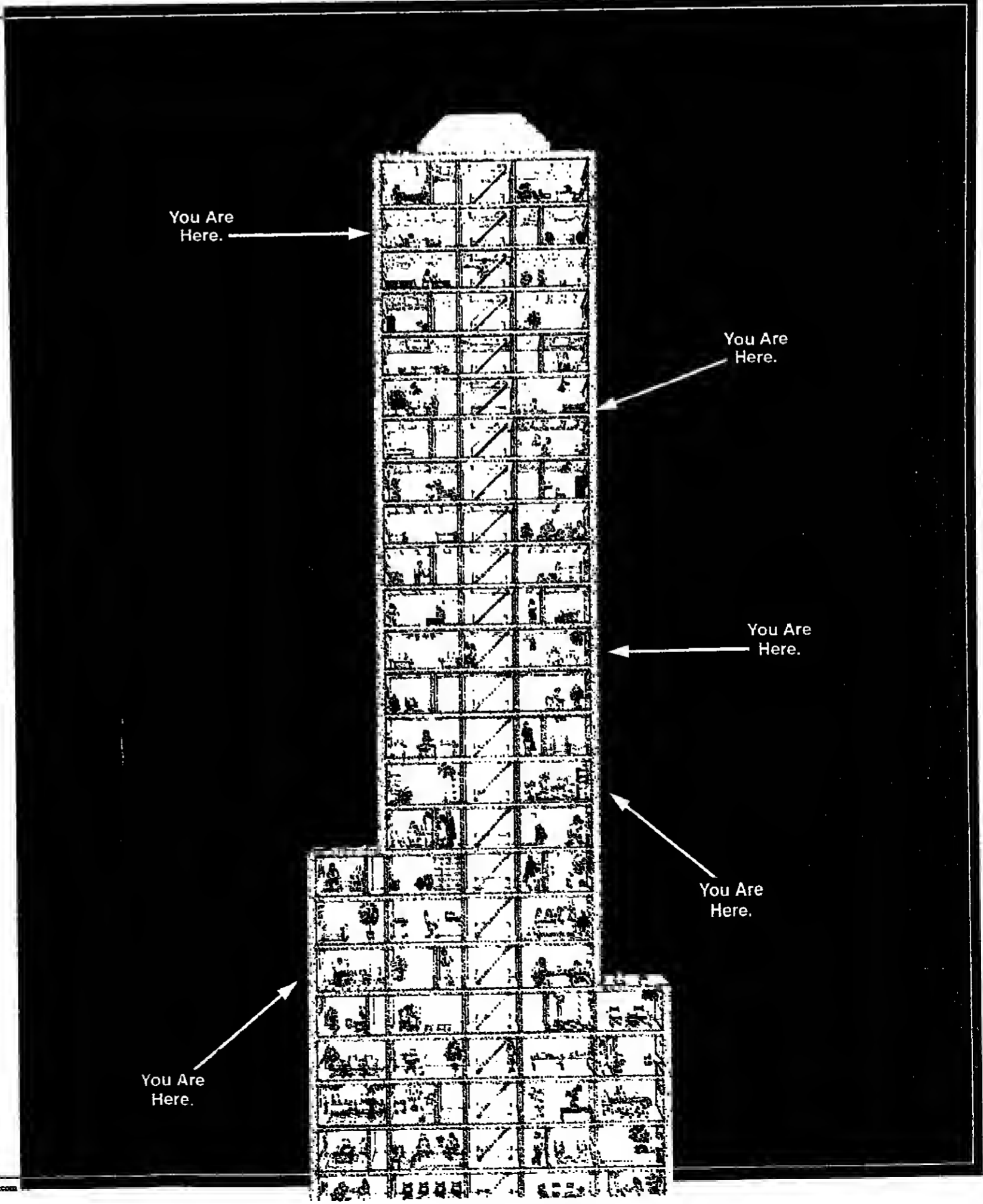
Ms. Baez visited Sarajevo at the invitation of the Open Society Fund of Bosnia-Herzegovina and in association with Refugees International. She contributed this comment to The Washington Post.

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The Rats Are Coming Ashore

As a Result, Island Birds Face Extinction

By John Balzar
Los Angeles Times Service

HOMER, Alaska — Somewhere on the oceans of the world a weather-beaten fishing trawler is about to dock at a tiny island. Tonight, tomorrow — but surely someday soon — a leaky grain barge is headed aground on a far-off atoll.

And so will commence another maritime disaster destined to inflict greater punishment on the world's wildlife than the Exxon Valdez oil spill.

Only no one will clean up this mess, probably ever. And judging by history, no news reporters and cameras will rush to the scene.

Rather than the 400,000 birds that died in Exxon's crude oil, the worst spill in U.S. history, this disaster may kill 4 million birds or more worldwide and prevent their return forever.

The rats are coming. Stowed away in the lockers of the trawler might be a pair of one-pound Norway rats ready to scud down a hawser after sunset, dragging their naked tails behind them to a new homestead. Deep in the hold of the grain barge are a family of Polynesian rats about to ride the surf onto a lush beachhead.

We know this will happen because it has been happening for generations — at the rate of six or seven island invasions a year every year since 1841, by one count. And the world's birds are paying a horrible price.

Here at the gateway to the great arc of the Aleutian Islands, south down the Pacific coast of offshore California, in the Indian Ocean, off the coast of New Zealand — any place where there are islands, nesting birds have been, and remain, sitting ducks.

Through commerce and fishing, exploration and military maneuvers, we have spread rats to 82 percent of the world's islands, according to federal scientists. Rats prey on birds in several ways, with eggs and chicks particularly vulnerable. Scientists said rats bring down larger birds by hitting the backs of their necks, severing their spines or sometimes, gruesomely, chewing off their legs.

In the last few centuries these rodents have wiped out millions of island-nesting birds and other creatures, driven a significant number to extinction, transmitted disease to other species and dug in against everything we can put up against them.

For all that, however, the United States and many other coastal nations have prepared virtually no island defenses against tomorrow's invasion by rats.

The U.S. Fish and Wildlife Service recently sent a letter to fishing and shipping companies and island residents seeking cooperation in rat control. But officials concede that is only a modest effort, and blame

budget constraints and a lack of foresight by policy-makers for preventing a serious approach.

The state of Alaska, for instance, which is home to North America's richest sea-bird nesting grounds, has a budget of \$5 million for oil spill prevention. Cleanup of the 1989 Exxon spill cost more than \$2 billion.

The federal officials charged with rat control, by comparison, have an \$8,000 annual budget for Alaska. The only weapon that has shown any success — poison — is denied them by pesticide regulations. And they are worried that two pristine, bird-rich islands in the Pribilof chain in the Bering Sea might be under rat invasion right now.

If one adds cats, foxes and mongooses to the mix of predators that people introduced to islands, the recorded devastation to wildlife is dire.

There were battles of World War II fought in the Aleutian Islands, they tested nuclear devices there, we've had oil spills and toxic chemical releases all over the place. And none of these things have done anything remotely compared to the destruction of native animals by rats and other introduced species," says Vernon Byrd, supervising wildlife biologist for the vast Alaska Maritime National Wildlife Refuge. The refuge encompasses 3,000 islands.

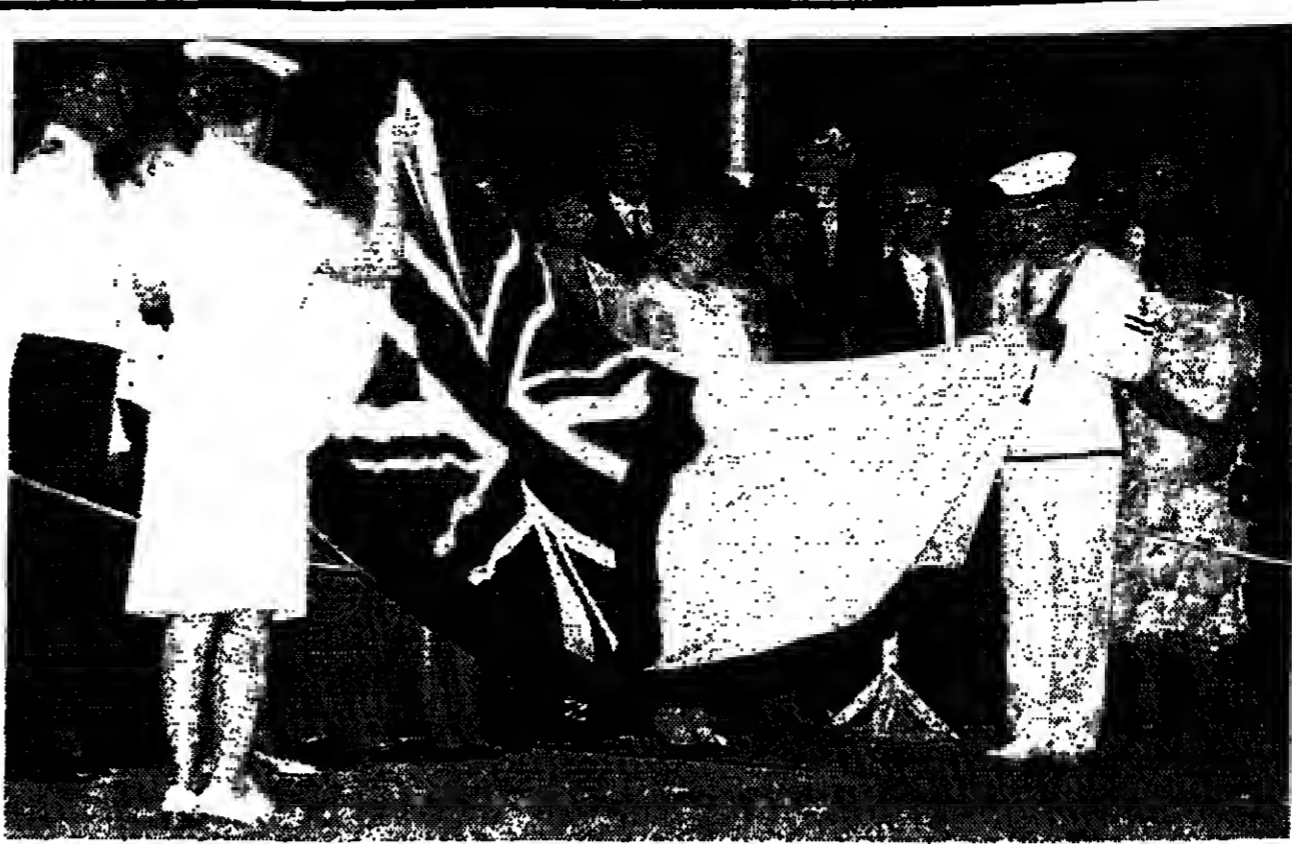
A global sampler of the problem: In Channel Islands National Park off Ventura, California, roof rats — the third of the three damaging varieties — have been established for decades on Anacapa Island. An eradication effort in the 1980s failed. Park officials say that birds which colonize other islands are not found on Anacapa, but they do not know if rats are to blame.

In the southern Indian Ocean, rats and feral house cats annually kill an estimated 450,000 burrowing petrels on just one island — Marion Island — and another 1.3 million birds of different varieties in the Kerguelen Archipelago.

According to study last year by Australian and New Zealand ornithologists, 93 percent of the terrestrial and fresh water birds that have become extinct in the past 400 years were on oceanic islands. And of these, 70 percent were caused by rats. Island colonies of snakes, ginkos, frogs and other creatures also have been driven to extinction.

Just south of the Alaska state line in British Columbia, Langara Island lost four species of birds that, 20 years ago, numbered 50,000 to 100,000. This because of a shipwreck that established rats on the island.

"Everyone is focused on oil, oil, oil — but these are threats that are far worse," said a biologist of the Fish and Wildlife Service, Edgar Bailey.



The white ensign of the Tamar, lowered for the last time Monday at its historic Hong Kong base, being folded at a ceremony.

Royal Navy Leaves Disputed Hong Kong Base

HONG KONG — Britain's Royal Navy pulled down the flag on its base in central Hong Kong on Monday, ignoring complaints from the colony's future Chinese rulers. The Royal Navy withdrew from the land

base, known as the HMS Tamar, so that a high-rise office complex can be built on the site.

The naval headquarters is moving across the harbor to a new base on Stonecutters Island, which has been joined to the main-

land by so-called reclaimed land, but the transfer has become another issue in the Chinese-British quarrel over Hong Kong's future. Last month, a Chinese spokesman attacked Britain for making what it said was an absolutely unacceptable, unilateral decision.

RIVALS: Bitter Fratricidal Fighting by Militias Is Tearing Kabul Apart

(Continued from page 1) fighting have got a long way to go before they're fed up with it."

Afghanistan's 16 million people put ethnic, tribal and religious differences partly aside in the 1980s as they fought the government and

the Soviet troops who had invaded their country to prop the government up. The mujahidin guerrillas, armed and supported by the United States, Pakistan and Saudi Arabia, forced the Soviets to withdraw in 1989 and toppled the Afghan Communists in April 1992.

The 14-year war against the Soviet troops and the Afghan Communists ravaged the country. According to estimates, nearly a million people died, a third of the country's villages were destroyed and 6 million residents fled to refugee camps in neighboring Iran and Pakistan. Now the ethnic, tribal and religious rivalries remain to help fuel the current fighting.

Defense Minister Ahmed Shah Massoud, one of the strongest mujahidin leaders, controls key neighborhoods and mountains in central Kabul.

He said U.S. policy incorrectly regarded all of Afghanistan's Islamic parties as fundamentalist, "and they think what happened in Iran will happen in Afghanistan."

"We want a moderate Islamic government," he said.

Gulbuddin Hekmatyar, leader of the Islamic Party, and others, however, are fighting for a radical, theocratic state, making religion one obstacle — though probably not the most significant one — to achieving peace in Afghanistan.

There are other factors. For example, Mr. Hekmatyar, who was built up as a force during the 1980s when Pakistan favored him in its

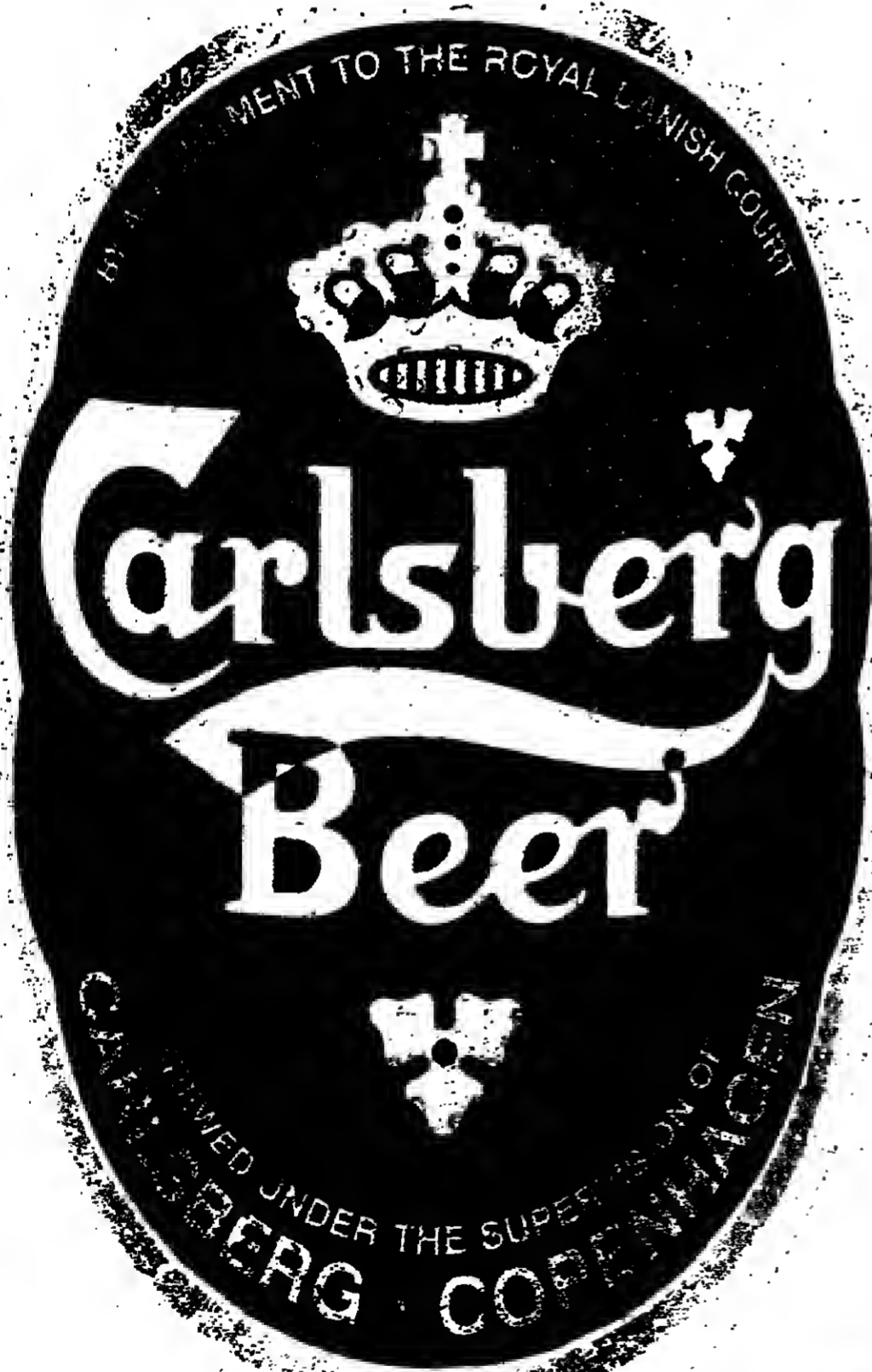
distribution of U.S.-supplied weapons, wants a government led by ethnic Pashtuns, while Uzbeks, Tajiks and others are also fighting for power.

The resulting turmoil has led many foreigners to express pessimism that any solution can be found soon.

The leaders of the nine strongest factions have agreed on numerous peace accords in the last year, but each has fallen apart within days. In the most recent agreement, the nine groups selected Mr. Hekmatyar as prime minister and said he could appoint his own defense minister. But Mr. Massoud, the current defense minister, was not a party to the agreement.

Rivals Clash in Kabul

Fighting between rival factions entered a sixth day in Kabul on Monday as attempts to establish a cease-fire were under way, Agence France-Press reported. Defense Ministry jets continued to bomb the positions of the Islamic Party faction loyal to Mr. Hekmatyar and his allies occupying the greater part of south Kabul. In return, Mr. Hekmatyar's forces pounded the north of the city with rockets.



دانه ۱۰۰٪

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High Court To Rule on Gender and Jury Choice

By Linda Greenhouse
New York Times Service

WASHINGTON — Seven years after the Supreme Court first ruled that race may not play a part in jury selection, the justices agreed Monday to decide whether the same principle of equal protection also bars the exclusion of potential jurors on the basis of their sex.

The court accepted an appeal from an Alabama man who was the defendant in a civil case brought by the state to establish that he had fathered a child and was responsible for paying child support. After the state used its peremptory challenges to exclude nine men from the group of potential jurors, a jury of 12 women heard the evidence and, despite the man's denial, declared him to be the father.

The role of gender in jury selection is the major unanswered question remaining from a remarkable series of Supreme Court rulings that, within a period of six years, redefined the age-old concept of the peremptory jury challenge. Traditionally, each side in a trial was free to remove a set number of jurors without giving any explanation.

In a 1986 case, Batson v. Kentucky, the court ruled that the constitutional guarantee of equal protection barred the prosecution from removing black jurors, solely because of their race, from the criminal trial of a black defendant. In the series of rulings that followed, the court quickly expanded the principle underlying the Batson decision to hold that both sides in a case, civil as well as criminal, were barred from making race a criterion in jury selection, whatever the race of the excluded jurors.

State courts and lower federal courts, meanwhile, have been uncertain about whether to apply the Batson principle in the context of gender. The issue comes up frequently, because there are categories of cases, such as rape trials and sex discrimination complaints, where one side may find it advantageous to select jurors on the basis of sex.

Last month, the Maryland Court of Appeals overturned the convictions of two men in a highly publicized murder case because the prosecutor had used a dozen peremptory challenges to exclude women from the jury, apparently in the belief that women would be more sympathetic to the young men who were on trial. Because the state court based its ruling on Maryland's equal rights amendment, rather than on the U.S. Constitution or federal law, its decision cannot be appealed to the Supreme Court.

The Alabama courts have refused to bar the use of gender in jury selection in either criminal or civil cases. The Supreme Court has refused twice in the past year to hear appeals from rulings on the issue by the Alabama Court of Criminal Appeals. The justices do not explain their decisions to grant or deny review.

James E. Bowman Sr., the man who brought the appeal, is arguing that because a paternity suit "particularly pits the female against the male," there are particularly strong reasons for ensuring that jury selection in such cases is not manipulated on the basis of gender.

Mr. Bowman's challenge to the composition of the jury was rejected both by the trial judge and the Arizona Court of Civil Appeals. The Alabama Supreme Court refused last year to review the case.

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The defendants, Lars Christiansen, left, and Michael Peters, waiting Monday for the trial to start.

Trial Starts in German Attack

SCHLESWIG, Germany — Two rightist radicals went on trial Monday on charges of killing three Turks in November in a firebombing that shocked German authorities into cracking down on neo-Nazi violence. One suspect, Lars Christiansen, 19, has denied throwing the firebombs that killed two girls and a woman at an apartment in the northern German city of Mölln on Nov. 23, 1992. Michael Peters, 25, has admitted to his role in the attack. Prosecutors say he led a neo-Nazi gang, with close-cropped hair and paratrooper boots, attempted murder and arson, and could face life in prison. The firebombing killed Yeliz Arslan, 10, Ayse Yilmaz, 14, and the younger girl's grandmother, Bahide Arslan, 51. It was the deadliest neo-Nazi outrage since such attacks began shortly after German reunification in 1990. More than 2,000 far-right attacks were carried out last year, causing 17 deaths. Michael Peters and Lars Christiansen acknowledged that until recently they had been skinheads, with close-cropped hair and paratrooper boots whose white leaces were an insider's sign of hatred of foreigners. Mr. Peters also acknowledged on the opening day of their trial that he had decorated his run-

down flat with Nazi emblems. But he denied prosecution allegations that he was a leading activist for the far-right National Democratic Party, in his home village of Gudow, near of Mölln. Asked why he attended meetings of the party, he said: "I was hoping for free beer." Both confessed to the firebombing shortly after being detained within days of the attack. But Mr. Christiansen has withdrawn his confession, saying it was coerced. "Motivated by hatred of foreigners, the two defendants were willing to accept the deaths of people," the federal prosecutor, Klaus Pflieger, read from the charge sheet. The accused made no pleas on the first day. **Austrian Rightist Charged** The Austrian far-right leader Gottfried Küssel was charged on Monday with the offense of fascist revivalism for saying he wanted to resurrect the National Socialist Party, Reuters reported from Vienna. Mr. Küssel, 35, leader of the People's Extraparliamentary Opposition, was arrested in January 1992 after saying in interviews with German and American television that he wanted to register the Nazi party for elections. His trial is expected begin in July.

Optimism for Cambodia Vote

PHNOM PENH — The UN military commander said Monday that the Khmer Rouge would not be able to force cancellation of next week's Cambodian elections. "I believe they're not capable of stopping it provided everybody maintains their commitment," said the commander, Lieutenant General John Sanderson of Australia. Government soldiers with machine guns and rocket launchers spread out along the Mekong River bank, and armored cars were parked at important intersections. "The Khmer Rouge have threatened that they will at all costs launch an attack," Prime Minister Hun Sen said on Cambodian state radio. "We want to prevent a Khmer Rouge attack aimed at sabotaging the voting." Thai Army sources said at least three people were killed and seven injured when 50 Khmer Rouge guerrillas firing mortars stormed a Phnom Penh government position in northwestern Cambodia on Monday. The jittery capital was bombed with leaflets on Monday by the government. It distributed thousands of election leaflets aimed at discrediting the opposition royalist party. "A vote for Funcinpec is a vote for the Khmer Rouge and supports their return to power," the leaflets warned. Funcinpec is a French acronym for United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia. General Sanderson said the threat to disrupt next week's voting was being taken "very seriously." He added that the 22,000-strong peacekeeping force could not be expected to "secure the Cambodian countryside." Mr. Hun Sen said, "We cannot afford to let Phnom Penh fall under Khmer Rouge control due to our negligence." A Western diplomat in Phnom

Penh said that while there was a real danger of Khmer Rouge attack, it was in the interests of Mr. Hun Sen's government to play up the Khmer Rouge threat. The Khmer Rouge has not attacked Phnom Penh in any force since 1975, when its troops overran the capital to start a reign of terror that killed, by some estimates, 2 million people in Cambodia. It is the only one of the four factions that signed a 1991 peace accord that refuses to participate in elections organized by the United Nations that are scheduled for May 23-28. The guerrillas say the elections will serve only to make Mr. Hun Sen's government legitimate, and they have vowed to disrupt the voting with violence. The Khmer Rouge has been blamed for mounting several bloody attacks this month, including some that targeted UN peacekeeping forces. (Reuters, AP)

Wolfgang Lotz, 73, Dies, Israeli Spy Who Helped in Raids on Egypt in '67

JERUSALEM — Wolfgang Lotz, 73, an Israeli spy who uncovered Egyptian military secrets while posing as a former Nazi, a playboy and a horse trainer, died Thursday. Known as the "Champagne spy" for his high living, Mr. Lotz died in Munich of heart trouble. Der Spiegel magazine reported. Mr. Lotz will be buried in Israel, the Yediot Aharonoth newspaper said. Mr. Lotz was born in Marnheim, Germany. His mother, who was Jewish, fled with him to British-ruled Palestine, following the Nazi rise to power in 1933. He served in the British Army in World War II and with Israel's underground militia in its fight for independence. Later, he was a major in the Israeli Army. He was recruited as a spy by Israeli intelligence because it was thought his blond hair, blue eyes and fluent German would allow him to infiltrate a group of former Nazi scientists working for Egypt. Mr. Lotz returned to Germany in 1959 to create his cover as a wealthy playboy. He operated in Egypt between 1961 and 1965, training horses and partying with the Egyptian elite. He uncovered secrets that later aided Israel's victory in the 1967 Middle East War. He learned which airfields were real and which contained fake planes to fool attackers, setting up the destruction of the Egyptian Air Force on the first day of the war. Mr. Lotz also reportedly was involved in mail-bomb attacks on former Nazi scientists that left several people dead or maimed. Egyptian authorities exposed him and his wife in 1965 and sentenced them to life in prison. They were released in 1968 in a prisoner exchange. Genichiro Inokuma, 90, the standard-bearer of Japanese modernist painting, died of a ruptured artery Monday in Tokyo. A student of Matisse, he founded the Shin Seisakuha Kyokai school of painting in 1936 with Ryohko Keiso, before im-

ing in Paris from 1938 to 1940. In 1955, he settled in New York, where he produced a large number of abstract works, and stayed for 20 years. Maggie Hemingway, 47, a British novelist whose first book, "The Bridge," won a prize from the Royal Society of Literature, died of anemia May 9. Miss Hemingway, a distant relative of the American author Ernest Hemingway, won the society's Winifred Holtby Memorial Prize in 1986 for the best regional novel of the year. Captain John Treasure Jones, 87, the last master of the Queen Mary, died Wednesday in Chandler's Ford, southern England. Meyer Jais, 86, chief rabbi of Paris for nearly a quarter of a century before his retirement in 1979, died Saturday. Born in Algeria, then a part of France, Rabbi Jais left North Africa at 13. He studied at France's chief rabbinical college and took a degree in letters at the Sorbonne.

Revelation Puts De Benedetti on the Suspect List

MILAN — The chief of Olivetti SpA, Carlo De Benedetti, was added on Monday to the list of suspects in Italy's mushrooming inquiry into political graft. The industrialist, who on Sunday acknowledged before Milan magistrates that his computer company had paid bribes to politicians to obtain work, sometimes with his knowledge, was added to the legal register of people under inquiry. Judicial sources said that inscription in the register fell short of being an official warning of investigation — the so-called avviso di garanzia — with which magistrates advise suspects that evidence is mounting against them and that they should hire a lawyer. Company lawyers issued a statement on Monday saying that Mr. De Benedetti, 58,

was not formally under investigation because he had gone to speak to magistrates voluntarily. Mr. De Benedetti, who has been chief executive as well as the controlling shareholder in Olivetti since 1978, said that the company had been forced into paying kickbacks to political parties to gain orders from the public sector. Similar charges against Italy's political leadership have been made by other major companies involved in the scandal, among them the carmaker Fiat SpA. As an example, Mr. De Benedetti cited Olivetti's relations with the state postal system, saying that from 1980 to 1986 the company's orders fell to just two billion lire (\$1.4 million). After Olivetti agreed to pay bribes to poli-

icians, the volume of its business soared a hundredfold to 200 billion lire, he asserted. "I was forced to give in, but only when I was faced with having to defend the survival of the company and the interests of tens of thousands of workers and shareholders," Mr. De Benedetti said in a statement released Sunday after his questioning. Fiat, too, argues that it had no alternative but to pay if it wished to work with the public sector. For Mr. De Benedetti, who turned Olivetti from a small typewriter-maker into a major international force in computers, the kickback scandal is not the only legal headache. He is appealing a six-year jail sentence for his part in the collapse a decade ago of Banco Ambrosiano, Italy's largest postwar bankruptcy.

The industrialist had been vice president of the bank for a brief period. Mr. De Benedetti's voluntary testimony over the weekend marked the first time that a major corporate head from the private sector had admitted to knowing about the payment of kickbacks to political parties in order to win contracts. It also followed extensive press reports of allegations that the Olivetti group was involved in the corruption scandal. More than 200 people have been arrested in connection with the corruption scandal, although most of them are now free pending trial. More than 700 are formally under investigation in the 15-month-old inquiry that has toppled Italy's political old guard.

Alleged Racism in Military Jolts Canada

By Clyde H. Farnsworth, New York Times Service TORONTO — What started as an allegation in March that a Somali man was killed by racist soldiers of a Canadian peacekeeping force has turned into a full-scale Defense Ministry inquiry into links between the military and white supremacists and other rightist militants. Altogether, four Somalis died in the custody of the Canadian Airborne Regiment, the equivalent of the American Green Berets. The regiment is now returning after five months in Belet Huen, in northern Somalia, and five Canadian soldiers are under investigation in connection with those deaths. The Canadian forces were part of the U.S.-led multinational task force, which has just been replaced by a United Nations command. Spurring the broad inquiry were reports by the Canadian Broadcasting Corp. that members of the Airborne unit have been involved in white supremacist activities. The CBC said that a former Airborne soldier gives paramilitary training to recruits of the Heritage Front, a neo-Nazi organization

based in Toronto, and that some Airborne members at their base at Petawawa, about 160 miles (250 kilometers) northwest of Ottawa, wore tattoos with the letters WAR, for White Aryan Resistance, a group based in California that moved to Toronto last year. The CBC also showed a photograph of one member of the peacekeeping force in a Hitler T-shirt standing before a swastika. That man, Private Matt McKay, told a Winnipeg newspaper that he had been a member of the Winnipeg KKK Klux Klan but quit in 1991. The Heritage Front is headed by Wolfgang Droege, 43, who has spent time in prison in the United States for trafficking in drugs and for an attempt to overthrow the government of the Caribbean island of Dominica. He boasted in an interview with CBC last week that as many as two dozen members of the Canadian military had joined his organization. The Defense Department has confirmed that "a very small number" of the military are linked to rightist militancy, spread over "several locations." In a statement a week and a half ago, the depart-

ment added, "There is no indication of any cohesive organization or relationship between the few individuals involved." Canada's military does not specifically forbid members to take part in such organizations. The government's position is that such restrictions would violate rights under Canada's Charter of Rights and Freedoms. Defense Minister Kim Campbell, who ordered the inquiry and is the favorite to succeed Brian Mulroney as prime minister, said she thought that screening procedures should be instituted to weed out military recruits with "inappropriate" beliefs. She said that during a military inquiry into the activities of Private McKay, related to the photo in a Hitler T-shirt, he "described his involvement in the KKK as a youthful folly." The inquiry got under way in March after disclosure of a letter by a Canadian Forces doctor, Major Barry Armstrong, to his wife, asserting that a Somali had been killed by Airborne soldiers March 4. The letter said the Somali was unarmed and had been shot in the back, then in the head and neck. The publicity surrounding the letter's publication led to Major Armstrong's immediate return home. His wife, Jennifer, told The Toronto Star, "We were told his life was in danger."

Swedish Party Suggests Quota To Aid Women

STOCKHOLM — Sweden may force public bodies to ensure that at least half the members of their governing boards are women, the secretary of the opposition Social Democratic Party was quoted as saying Monday. A law forbidding discrimination against women has not achieved the goal of sexual equality in public life, the secretary, Mona Sahlin, told the liberal daily Dagens Nyheter. "If we don't achieve 50-50 status in the next couple of years, I think parliament will need to bring in quotas," she said. "Many women are tired of waiting. Those of us who are between 30 and 40 thought it was only a matter of time before we got the same chances as men. Now we realize the inequality goes much deeper." A Social Democratic spokesman said the issue would be debated at the party conference later this year.

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Portugal Esc.	47,000	25,000	14,000
Spain Ptas.	48,000	25,500	14,500
— hand deliv. Madrid S.Pt.	55,000	27,500	14,500
Sweden (airmail) S.Kr.	3,100	1,700	900
— hand delivery S.Kr.	3,500	1,900	1,000
Switzerland S.Fr.	610	335	185
Rest of Europe, N. Africa, former French Africa, Middle East	5	345	190
Gulf States, Asia, Central and South America	5	430	235
Rest of Africa	5	465	270

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Chic 93: Valentino, Wu Wen Ying, the chairwoman of the National Textile Council, and Gianfranco Ferré

China Dresses Up, and Shows It Off

(Continued from page 1)

its kind and with the help of the famous fashion masters we have a chance to promote our culture and our commerce," said Wu Wen Ying, the chairwoman of the National Textile Council.

The significance of Chic 93 is that it marked the official opening of the forbidden city of fashion. Since Ferré and Valentino were summoned to meet President Ziang Zemin, the decision has clearly been made at the highest level to promote a booming industry.

What is a Chinese fashion show like? The international designers did not have much competition from the mishmash of local styles, which included cute children's wear and dresses made of wicker-work that owed more to Cardin than to China's basket-weaving tradition. The French designer was greeted at his morning show as a superstar and in the evening with bouquets of flowers hurled on stage at the models' feet.

"I have been here 18 times and the change is so gigantic and so rapid," he says. "There is no Chinese fashion; they are just influenced by international fashion. But they are going to be a very important replacement for Hong Kong, Taipei and Manila."

The revelation was the natural grace of the Chinese models who showed Ferré's skinny silhouettes in a vivid lacquer red that matched the temple pillars. Valentino chose a graphic black-and-white theme, which included a slender lace-back dress and a low-cut ball gown — both eyed in wonder by the soldiers on heavy-security duty.

"It is very flattering and very emotional," said Valentino, who found T-shirts, books and scraps of paper thrust at him for signature. "When I was sitting there and I saw the temple lit up, I was very moved," said Ferré. "And I would

put my hand in the fire if these people in 10 years have not gone very far in fashion."

The parade of costumes from China's classic dynasties — the prints of Ming peonies, the seductive fluttering fabrics and fantastic headresses, the evolution of the traditional *qi pao* into the slinky cheongsam — proved that 40 years of Communist rule has been a grave loss for fashion. It not only severed all links with the past in dress, but also any aesthetic sense.

The hideous combinations of color and print in the department stores contrast with the mellifluous combinations that still appear on the Beijing Opera stage. How could a shadow-play pattern on chiffon be transmuted into soggy silk georgette in murky prints? Why with a heritage of color — almond-blossom pink, tea-leaf green and cloisonné blue — choose garish shades of grass green and poisonous mauve? Why are fledgling Chinese designers not inspired by patterns of pebbles in the Imperial Gardens, the elaborate gilded dragons or the delicate tracery of Chinese calligraphy?

Eager fashion workers attended seminars given by Ferré and Valentino, who was appointed a senior clothing art consultant for the Chinese textile industry. Judy Mann, chairman of the Hong Kong designers' association, also gave a seminar on how to nurture Chinese roots.

"In 1990 I started to put Chinese elegance into my clothes, just the buttons or a wrap jacket from the Tang dynasty worn today with skirts or leggings — a modern silhouette, using the Chinese tradition just in the way of tying a belt," she said. Mann will open a Beijing shop in June because she believes that there is a niche for her.

Are they buying or selling? That is what everyone in fashion wants

to know about China. The red carpet treatment offered to European designers suggests that there is an open market for their goods. The main shopping street already has Benetton and Stefanel, selling made-in-China goods. The shopping mall at the Palace Hotel has a Niagara Falls of water and boutiques for Louis Vuitton, Ermengildo Zegna and Céline.

Diekson Poon of the Hong Kong-based luxury goods company opened at the Palace last week, the first of seven upscale boutiques in Beijing, with plans for a retail and wholesale network across China by the end of 1993.

On May 5, Laura Biagiotti, the Italian designer who specializes in cashmere, held a gala evening in Beijing to celebrate the signing of a contract with Citic, China's overseas investment company, for creating her own-label lines for the internal market.

The European exhibitors at Chic 93 found that it was also strictly an exercise in making contacts. "The problem is that there is no political will — and these things can only work with countries which reciprocate," said Gérard Roudine,

délégué-général of the French ready-to-wear federation. "But if there is a willingness by the authorities to change, it will open up the Chinese market. And if only 5 percent of the population are able to buy, China will still be bigger than many European markets."

The latest available Chinese figures (for 1991) are revealing about the hopes and fears of the fashion industry. They show an increase in exports of 31.4 percent over 1990 to \$8.9 billion.

The fever and fervor for fashion is displayed by shoppers in the Beijing stores and in the 15-day crowd that ringed the atrium at the China World Hotel for a glimpse of the French fashion show. The potential market of this nation of 1.17 billion consumers is overwhelming.

But what if China's needs are amply served by its own expanding resources? What if it grows into a mighty fashion sweatshop for the world? Suppose that the Beijing show this weekend marked the awakening of a dragon that will gobble up the world's clothing industry? The prospect of China as the coming fashion force is both thrilling and chilling.



The clothes (clockwise, from top left): Cardin's satellite tunic with bell-bottom pants; Ferré's quilted leather coat and pants; Valentino's chiffon embroidered evening outfit with tasseled belt; and red-star chic on coat and cap.

'Body Snatchers' Are Back, This Time in Cannes

By Sharon Waxman
Washington Post Service

CANNES, France — It has been a long time since the Cannes Film Festival chose a sci-fi/horror film to compete for the Palme d'Or, but there it was, Abel Ferrara's "Body Snatchers," greeted with polite applause. The American director, wearing his lucky St. John's baseball cap with his tux-

edo, made up for the general lack of enthusiasm by whooping. "Yeah, all right!" as the lights went down. The film, stylishly done if not quite as, um, deep as some competition entries, stars Terry Kinney, Gabrielle Anwar — she did that short but memorable dance with Al Pacino in "Scent of a Woman" — and Forest Whitaker in the classic tale of aliens who suck the life from human beings and take over their bodies.

Ferrara updates the story and adds his own twist. This time the body snatchers — portrayed as pulsing mounds of swamp muck about the size of footballs — take over a military compound. This is an apt jab, since early on it is impossible to tell whether the soldiers are really human shells or whether they just talk woodenly all the time.

Kinney plays Steve Malone, a field researcher for the Environmental Protection Agency who has brought his family to the base for the summer to take samples. Soon the body snatchers invade the fam-

ily unit; this too confuses the classic dynamic of good guys vs. bad guys.

If the genre is unusual for Cannes, the choice of director is not. Ferrara was invited last year with "Bad Lieutenant," starring Harvey Keitel. Also, this was apparently what Hollywood was willing to offer, since Steven Spielberg's "Jurassic Park" was absolutely not available. "Body Snatchers" was produced by Warner Bros.

"The festival wanted to have a movie that touches a large audience," said Wayne Duband, president of Warner Bros. International. "The festival keeps telling us that they're looking for a broader base of films. We're getting a great reaction from the critics."

Well, not all of them. One British critic called the movie "trash" to Ferrara's face during a press conference. The ordinarily irascible director was a bit dumbstruck, but later defended the film. He said he wasn't surprised that it had been

chosen. "You know, it's an art film," he said.

"Body Snatchers" will be out this fall. Otherwise, Hollywood is notable for its absence at the festival. Only three American films are among the 23 in competition — fewer even than the number of British entries, four — which may be one reflection of what people here commonly refer to as the "crisis in Hollywood."

"Is there a crisis in Hollywood?" asked the British director Stephen Frears (who went Hollywood with "The Grifters" and "Hero") when informed the there was one. "They seem to be getting very rich in making action films. I don't know what the crisis is." On the other hand, Frears declared the British film industry "dead" and "finished."

Robert De Niro was asked about the crisis at a press conference for "Mad Dog and Glory," which was shown at a special screening. The

questioner quoted Spielberg, who apparently had told a trade magazine that Hollywood has never made so many bad films.

De Niro said, "There are a lot of bad American films, so yeah, I can't disagree with him." There are about 10 journalists from the former Yugoslavia in Cannes, and it's not easy. Branka Bogavac le Comte, a Montenegro journalist based in Paris, said, "It's very unpleasant working with the press people. It's horrible. I get no help whatsoever."

"Only if I'm able to get in touch with the director directly, and I sympathize with him, then it's O.K."

"I was very determined to come to Cannes because of this bloody war," said Jasmina Lekic, a film critic for Nin, a Belgrade newsweekly. "Not to escape, but just to have 10 nice, normal days in my life and to do my job."

ly say, "Oh, but your country's not going to buy the movie."

Arnold Schwarzenegger was in town for the screening of 15 minutes of footage from his new adventure film, "Last Action Hero." For this auspicious — however brief — occasion, Columbia Pictures floated a giant inflatable Arnold in the harbor and brought in Muscles himself on a yacht, looking very James Bond in a tuxedo.

"Cannes is the best place in the world if you have a film coming out," he said. This is a nuance not lost on many in the film industry. "We came to create a lot of noise, to create a spectacle."

This he did, as well as a not-inconsequential traffic jam.

A Real Contender For the Palme d'Or

By Thomas Quinn Curtiss
International Herald Tribune

CANNES, France — Jane Campion's new film, "The Piano," is a triumph, and the betting along the Croisette is that it will win the Palme d'Or, although prize day is a week away. It has, as they say in Hollywood, everything: a passionate heroine fought over by a husband and a lover, a bright child, adultery and forgiveness, persuasive music and expert direction and acting.

Akira Kurosawa received a standing ovation when he arrived in the Grand Lumière theater of Cannes to attend his latest film, "Madadayo" (The Master). After its projection, he received another one.

Now 83, Kurosawa has abandoned grand spectacles of ancient Japanese wars to reminisce about a university professor he affectionately remembers, a teacher who gave him his fortune. Many famous dramatists of tragedy have turned to comedy to test their range; similarly Kurosawa has felt the urge to express himself in new fields. He portrays his subject with tender humor and admiration.

André Téchiné's "Ma Saison Préférée" undertakes the psycho-analysis of a Toulouse family. The widowed mother of the clan has dominated her son and daughter and prevented them from developing emotionally. When the mother sinks into senility, the brother and sister — both now in middle — confer on their problems in the hope of mending their broken lives.

Téchiné's Freudian complexes are dense and sometimes confusing, but he has recruited a competent company to interpret them. Catherine Deneuve throws away her icy reserve in her role as the distressed woman, and Daniel Auteuil plays the tormented brother with force. Marthe Villalonga as the dying mother who has lost her ability to dominate impressively conveys the pathos of the role. In support, there are Jean-François Bontier as the heroine's ex-husband, Chiara Mastroianni, Deneuve's daughter, and Carmen Chaplin as the nonstop dancing secretary.

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By Robert Byrne

DAVID Vigorito of Massachusetts, a national master, had anticipated the chief line of attack that the Manhattan grandmaster Lev Alburk had intended to snare him with in their Round 4 encounter in the New York Open in April.

The type of Benoni Defense with 4...Bc3 5...f5 was developed by the New York grandmaster Roman Dziodzichashvili, whose strategy was to exploit White's doubled c pawns while using 5...f5 to prevent White from building up a strong attacking center. Of course, the departure of the black king bishop leaves him with a weakness on the dark squares in his kingside.

Alburk said he had been tempted to sacrifice a pawn with 6 g4 f7 h3 for a kingside attack, but saw that Black could play 7...g3, keeping the critical lines closed. He added, "But 6 h3 aimed at Bb6 later on, denying the reply...Ng4."

On 13 Qh3, Vigorito could not exchange queens without repairing White's damaged queenside pawn structure. He should, however, have protected his king with 13...O-O, instead of venturing 13...Ne4. The point was that 14 Bc4 fe was strong for White. Alburk said, "I like bishops, but here it's a must to exchange, in connection with 15 Nd2 Qc2 16 f3!, which secured White a small edge (the f file and the seventh rank.)"

Vigorito should have defended with 19...Rd7. About this possibility Alburk said, "I hadn't made up my mind whether to sacrifice a pawn with 20 Ra1 or to mobilize more slowly with 20 Rf4 followed by 21 Ra1."

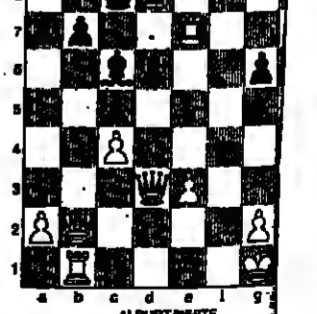
In capturing with 19...Nc4 20 Nc4, Vigorito was looking ahead to a particularly sharp defense. But so was Alburk, who said, "In playing 19 Qb2, I for the first time saw the idea of a queen sacrifice."

After 21 Rb1 Qd5 22 Re7, the correct defense would have been 22...Bd7 22 c4 Qc6. Indeed, he could have recovered it quickly and powerfully with 23 Bf4 b6 24 Rd1 Bf5 25 Bd6!

Instead, Vigorito played 22...Bc7, pinning his hopes on his clever trap with 23 o4 Qd3 24 Rb7!! Qb1 25 Qb1 Bb7, which gives him two rooks for a queen. He had not foreseen Alburk's explosive queen sacrifice with 24 Qb7!

After 24...Bb7 25 Rbb7, Vigorito had to drop a rook with 25...Rd7 because 25...Rd8 permits 26 Rec7 Kd8 27 Bg5 Ke8 28 Re8 mate. After 26 Rd7, there was no escape by 26...Qd1 27 Kh2 Qh5 because 28 Bg7 Rf8 29 Bf8 Qe5 30 g3 is decisive. For example, 30...Qc3 31 Rdc7 Kd8 32 Be7 Kc8 33 Rb8 Kf7 34 Bb4 Ke6 35 Re7 Kf5 sets up 36 g4 mate.

CHESS



Vigorito played 26...Qc5, but 27 Rdc7 Kd8 28 Rf7, he did not play 28...Qc8 because of 29 Ke8 30 Rb7 Kd8 31 Re6 Rb6. Moreover, 28...Qc5 29 Bf4 Rb6 him to drop his queen to delay mate. Vigorito gave up.

BENONI DEFENSE

White	Black	White	Black
1	1	15	15
2	2	16	16
3	3	17	17
4	4	18	18
5	5	19	19
6	6	20	20
7	7	21	21
8	8	22	22
9	9	23	23
10	10	24	24
11	11	25	25
12	12	26	26
13	13	27	27
14	14	28	28

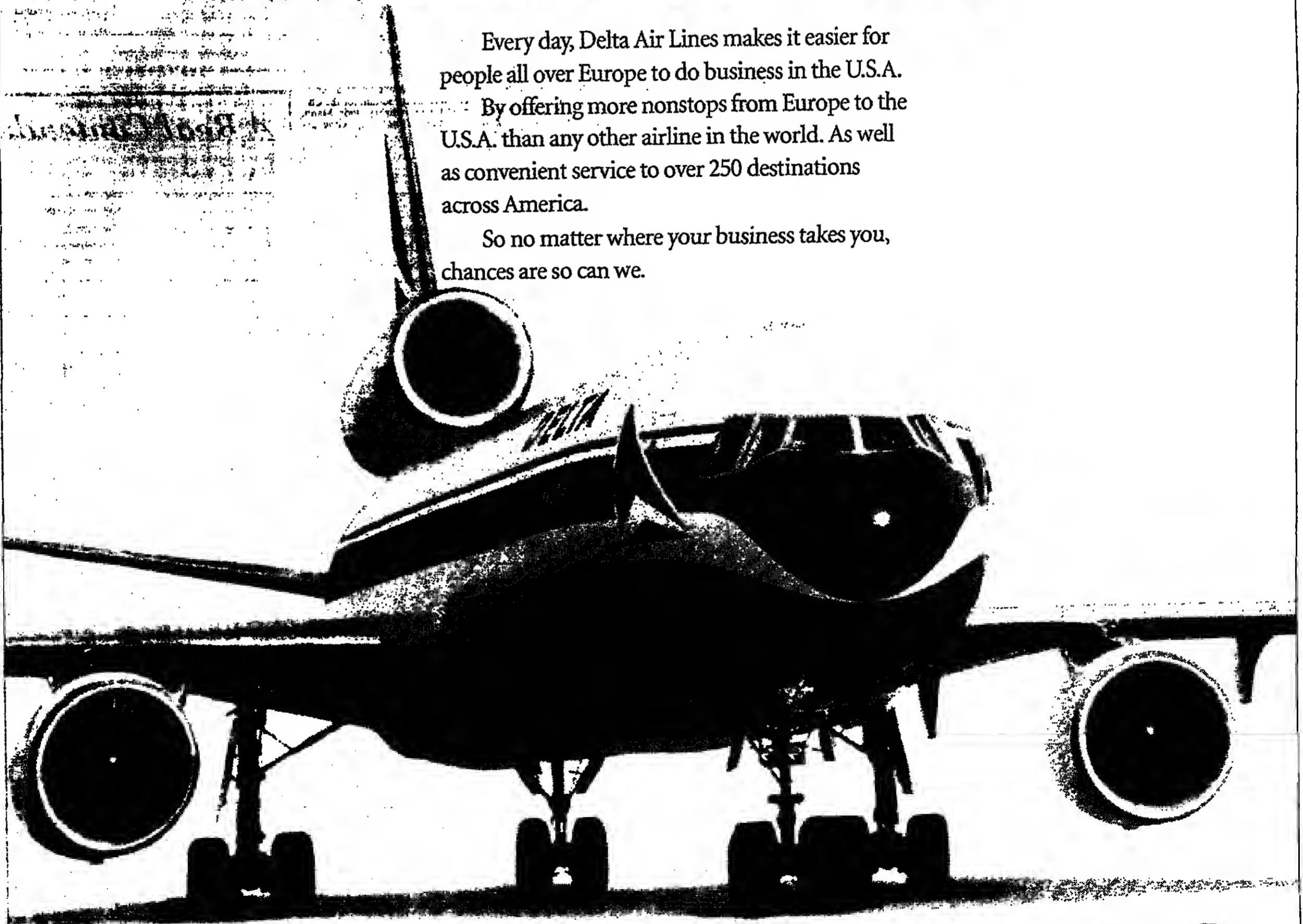
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International Herald Tribune, Tuesday, May 18, 1993

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Microsoft: Window of Opportunity

Office-Machine Plan Would Consign Paper to Trash

By John Markoff
New York Times Service

SEATTLE—Microsoft Corp. has quietly assembled an alliance of equipment makers through which it hopes to establish a software standard that would link business machines into what is called a paperless office. Microsoft plans to use its Windows software, already the leading operating environment for personal computers, as the means for consolidating control of virtually every piece of electronic equipment in the modern business office. Its standard would allow links among computers, copiers, facsimile machines, printers and telephones.

itor, I might not want Microsoft to do this. But as a user, it makes my life simpler."

The paperless office, a concept first floated in the 1970s, has remained elusive because of the lack of software standards enabling different brands of office equipment to work together and to share computer files and electronic documents. But at a news conference in New York on June 9, Microsoft plans to identify a group of leading office-equipment vendors that have agreed to incorporate its software into their products, company executives said.

it, and then place it in a report that is printed at another location.

The office-of-the-future concept was put forth in the early 1970s at Xerox Corp.'s Palo Alto Research Center as a means of increasing productivity of office workers. The copier maker developed office-computing systems based on a prototype computer called the Alto, which could be networked with other computers as well as connected to laser printers. But the Xerox effort stumbled because the technology was too expensive and the company refused to establish open standards that could be freely adopted by other manufacturers.

New Japanese Environment Takes Tokyo by Storm

By T. R. Reid
Washington Post Service

TOKYO—Bill Gates, the Microsoft Corp. chairman, staged a spectacular launch Monday of the latest Japanese version of his Windows software, a product with a good chance of becoming a runaway hit in the world's second-largest personal-computer market. With an orchestra blaring upbeat tunes, three enormous screens showing Windows commercials, and purple and green laser beams glistening off the gold rims of his glasses, the floppy-haired Mr. Gates stood before a packed house in a large exhibition hall to announce that "Windows is the future."

computer makers plus the heads of International Business Machines Corp. and Compaq Computer Corp. promised to offer Japanese Windows as standard equipment on their machines in Japan. This should give Microsoft a near-lock on the operating-environment market, and a leg up in selling application programs for Windows-based personal computers. That should help other U.S. software companies sell their products in Japan. Another big American winner will be the Silicon Valley chip giant Intel Corp., which is scoring explosive sales growth here as Japanese makers buy its microprocessors for their Windows computers.

ping programs, creating and copying files, and sending signals to printers and monitors. But Microsoft split with IBM in 1990. IBM was promoting a new operating system, OS/2, which Microsoft designed for it. But Microsoft's Windows system, which used the original DOS as a base but was based on graphics rather than alphanumeric commands, was gaining popularity. Now Windows has become the world's most popular system, and Microsoft and Intel are allied in a number of projects to expand their reach. Monday's extravaganza—which Microsoft named "The Day of Windows"—was focused, surprisingly, on the new Japanese-language implementation of version 3.1 of Windows. In America, that version was a relatively minor upgrade of the hugely suc-

IG Metall Chief Under Fire as Strike Drags On

Compiled by Our Staff From Dispatches

BERLIN—Wage negotiators in a second East German state agreed Monday on a pay deal for engineering-sector workers but talks in other Eastern regions were deadlocked and angry workers planned to extend a two-week walkout, raising more questions about labor peace. Adding to the disarray were allegations of insider trading leveled against the metalworkers' union president, just four days after he was declared the victor in a tough conflict with employers.

The charges came as wage negotiators for the engineering industry of the Eastern state of Saxony-Anhalt agreed on a wage deal based on a compromise in neighboring Saxony, officials said. Negotiators for IG Metall and the employers said they had agreed on a modified version of the Saxony deal, which was supposed to be a pilot plan for other states and end a three-week strike. The union's wage commission later approved the compromise, reached after three hours of talks, and a ballot n workers was expected for Tuesday. Only 25 percent of the state's 30,000 union members must approve the deal for it to take effect.

Mr. Steinkühler made a profit of more than 100,000 Deutsche marks (\$66,280) after he was confidentially informed that the industrial giant Daimler-Benz was going to restructure its shares. Mr. Steinkühler said that he had bought almost 1 million DM worth of shares in Mercedes AG Holding, and had then resold them at a considerable profit, but had not used in that connection any information he had received in his position as a member of the supervisory board of Daimler-Benz AG. He said he had made the stock purchases between March 18 and April 1, but that when he bought the stock, he did not know the board would decide on April 2 to merge Mercedes Holding with Daimler. He sold 1,000 shares on April 19, and still holds another 1,100 for himself and his son, he said.

Mr. Steinkühler said he had asked the Frankfurt stock exchange's insider-trading commission to look into the case, adding that he saw no need to resign over the question. Insider trading is not illegal in Germany, but bankers and company officials are bound by a gentlemen's agreement not to indulge. If the allegations were true, they could increase the resentment of Eastern workers, some of whom already feel Friday's pay agreement was a sellout to management, and are threatening to widen the strike.

Thinking Ahead

Toward a World Without Jobs?

W hat if the world's population grows to 10 billion, as many experts predict, and the world's best technology is used to produce goods and services? The question is whether, in the dawn of the industrial revolution, the developed nations are heading a radically different era, in which traditional professions will no longer be enough to provide jobs. By those thrown out of work as Western economies frantically "downsize" to contend with dramatic changes in competitive conditions, the answer may seem obvious.

countries, pioneered by the Japanese in South Korea, will be the United States. The new-cost labor in Mexico under the North American Free Trade Agreement and the European Community business for own "flexion" in Eastern Europe and the former Soviet Union. Already in some leading Western economies, where people are employed in distributing goods than in making them. And while manufacturing is maintaining its share of countries' gross national product, it is shedding more and more jobs.

Not so to the experts wrestling with the issue at the Paris headquarters of the Organization for Economic Co-operation and Development, who have been given a lengthy two years by the 24 member governments to come up with an answer. The experts are to deliver a halfway report to ministers at the OECD's annual ministerial meeting next month. Broadly speaking, they have split into two opposing camps—laborers, "technologists" and "economists"—and they will have to confess they are still far from reaching a conclusion. "Technologists" believe that something completely new is happening in the world economy; that technological advances and the opening of global markets are creating a new kind of society in developed countries, in which most traditional jobs will simply disappear.

Even service jobs are being ravaged by technological advance. OECD calls "no regrets" policies—an economic version of the Hippocratic principle, "above all do no harm." It can do no harm, the OECD says, to improve education and training, and try to establish stable conditions for faster economic growth. But it's also likely that many people will have to give up the idea of careers, or even steady employment. They will have to work shorter hours for less pay and think up imaginative ways of spending their masses of extra free time. All that's not a great deal of help. If the technologists are right, the Western social and political system is indeed going to be hit by a tidal wave of which most governments so far have no more than the faintest inkling. But the worst outcome would be for governments to be panicked into trying to erect Luddite defenses against the 21st century by closing markets and propping up obsolete forms of economic activity. Let's hope they hurry up out there in the 16th arrondissement.

U.S. Consulted on Unitary Tax

Bloomberg Business News

WASHINGTON—The U.S. Supreme Court on Monday asked the California administration for its views on a proposed challenge to California's system of taxing multinational corporations. The administration, unlike its predecessors, did not file a brief with the justices requesting that they hear the court challenge. When the case was last on appeal to the high court before its current term began in October, the administration of George Bush filed a brief calling the California tax "an irritant in the commercial relations of the United States and its major trading partners."

Congress has not passed a law prohibiting it. A U.S. Treasury Department spokesman said after the British threat was made that the Clinton administration intended "to work with California to address the concerns raised by the British government with regard to California's tax laws."

In London, a government spokesman said it welcomed the U.S. Supreme Court's request for a brief from the administration but that its year-end deadline for retaliation remained. "We're happy about the Supreme Court move, but delay isn't what we're looking for."

CURRENCY & INTEREST RATES

Cross Rates	May 17	Eurocurrency Deposits	May 17
Australian \$	1.38	Dollar	3.3%
Canadian \$	1.00	D-Mark	7 1/2%
French F	166.64	Franc	6 1/2%
German M	1.93	Sterling	7 1/2%
Japanese Y	148.36	Swiss	5 1/2%
UK Pound	1.64	Yen	5 1/2%

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MARKET DIARY

Bond Fall Tempers Drug Stock Rally

NEW YORK — The stock market was mixed on Monday, caught between a rally in drug stocks and slumping bond prices.

The Dow Jones industrial average rose 6.92 points, to 3,449.93, but declining issues on the New York Stock Exchange outnumbered advances by a 9-to-7 ratio.

Drug issues rallied on news reports that President Bill Clinton would consider backing away from his planned strict limits on prescription pharmaceuticals.

Inflation concerns weighed on stocks, but the 30-year Treasury bond, the market bellwether, lost 9/32 point, falling to 101 31/32. Its yield at that price was 6.97 percent, up from 6.94 percent Friday.

Government price data for April reported last week, have pushed bond prices down for the past four sessions. Despite the negative effects on economic growth, there are fears the Federal Reserve Board might raise interest rates to counter the rising prices by reducing demand.

Each Bay Mines led the American Stock Exchange activities, off 1/2 to 10/8. Gold prices slipped about 30 cents an ounce in New York but remain more than \$40 an ounce over early-March levels.

Andrea Electronics soared 1 1/4 to 7 1/4. The company plans a five-for-one stock split, and questions about demand for a key nose-suppression product were insufficient to stem the advance.

Spectrum Information Technologies led the over-the-counter activities, up 3/4 to 7 1/4. Its shares have risen for the past six days on patent licensing arrangements.

Foreign Exchange: The dollar gained against major currencies on Monday as traders sold Deutsche marks and Swiss francs, betting that Danish voters would approve a referendum on European monetary union on Tuesday.

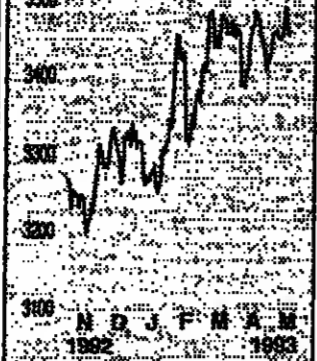
Fall results released Monday projected that the Danes would ratify the Maastricht treaty, which calls for closer economic and political ties among European Community nations, including the creation of a single currency.

The poll prompted sales of marks and Swiss francs, which are considered the safest currencies in Europe and would gain most if the Danes reject the treaty, traders said.

People are expecting a "yes" vote, and they're selling marks," said John Nelson, a currency dealer at Barclays Bank.

Lynn Tierney, a vice president at Shamut Bank in Boston, said that the Swiss franc could come under pressure as a result of a "yes" vote on the treaty since Switzerland is not a member of the Community

The Dow



1989 1990 1991 1992 1993

NYSE Most Active

Table listing NYSE Most Active stocks: Vol., High, Low, Last, Chg.

AMEX Most Active

Table listing AMEX Most Active stocks: Vol., High, Low, Last, Chg.

NYSE Diary

Table listing NYSE Diary: Advanced, Declined, Unchanged, Total Issues.

AMEX Diary

Table listing AMEX Diary: Advanced, Declined, Unchanged, Total Issues.

NASDAQ Diary

Table listing NASDAQ Diary: Advanced, Declined, Unchanged, Total Issues.

Dow Jones Averages

Table listing Dow Jones Averages: Index, High, Low, Last, Chg.

Standard & Poor's Index

Table listing Standard & Poor's Index: High, Low, Close, Chg.

NYSE Indexes

Table listing NYSE Indexes: Composite, Industrials, Finance, Utilities.

NASDAQ Indexes

Table listing NASDAQ Indexes: Composite, Industrials, Finance, Utilities.

AMEX Stock Index

Table listing AMEX Stock Index: High, Low, Close, Chg.

Dow Jones Bond Averages

Table listing Dow Jones Bond Averages: 20 Bonds, 10 Hybrids, 10 Industrials.

Market Sales

Table listing Market Sales: NYSE 4 p.m. volume, AMEX 4 p.m. volume, NASDAQ 4 p.m. volume.

N.Y.S.E. Odd-Lot Trading

Table listing N.Y.S.E. Odd-Lot Trading: Buy, Sell, Short.

S&P 100 Index Options

Table listing S&P 100 Index Options: Call, Put, Last, Chg.

EUROPEAN FUTURES

Table listing European Futures: Class, High, Low, Prev. Close, Chg.

Food

Table listing Food futures: Cocoa (F0), White Sugar (M0), Coffee (C0).

Metals

Table listing Metals futures: Aluminum (M0), Copper (C0), Lead (L0), Nickel (N0), Zinc (Z0).

Financial

Table listing Financial futures: 3-Month Sterling (L0), 3-Month Eurodollar (L0), 3-Month Eurodollar (L0).

Grains

Table listing Grains futures: Wheat (C0), Corn (C0), Soybean Meal (C0).

Metals

Table listing Metals futures: 3-Month Copper (C0), 3-Month Aluminum (C0).

Livestock

Table listing Livestock futures: Cattle (C0), Hogs (H0), Pigs (P0).

Food

Table listing Food futures: Coffee (C0), Sugar (S0), Cocoa (C0).

Metals

Table listing Metals futures: 3-Month Copper (C0), 3-Month Aluminum (C0).

Livestock

Table listing Livestock futures: Cattle (C0), Hogs (H0), Pigs (P0).

Food

Table listing Food futures: Coffee (C0), Sugar (S0), Cocoa (C0).

Metals

Table listing Metals futures: 3-Month Copper (C0), 3-Month Aluminum (C0).

Livestock

Table listing Livestock futures: Cattle (C0), Hogs (H0), Pigs (P0).

Food

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Metals

Table listing Metals futures: 3-Month Copper (C0), 3-Month Aluminum (C0).

Livestock

Table listing Livestock futures: Cattle (C0), Hogs (H0), Pigs (P0).

Industrials

Table listing Industrials futures: Gas Oil (G0), Brent Crude Oil (C0).

Stock Indexes

Table listing Stock Indexes: FTSE 100 (L0), Nikkei 225 (N0).

Spot Commodities

Table listing Spot Commodities: Wheat, Corn, Soybean.

Dividends

Table listing Dividends: U.S. Bank, American Express.

STOCK SPLIT

Table listing Stock Splits: American Express, U.S. Bank.

Weekend Box Office

Table listing Weekend Box Office: Los Angeles, New York.

Table of late trade

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U.S. / AT THE CLOSE

GE Deal With GPA Clears a Hurdle

LONDON (Bloomberg) — General Electric Capital Corp.'s plan to acquire control of GPA Group PLC cleared a hurdle Monday when GPA's board voted to make \$50 million in payments to bondholders due Tuesday, officials close to the negotiations said.

If GPA had defaulted on the payments, the world's largest aircraft-leasing group would have gone into examinership.

"Because of the close discussions with GE, any decision to make payment would have been coordinated with GE," said Carl Renda, head of high yield sales and trading at Mabon Nugent in New York.

GE Capital plans to acquire 45 aircraft from GPA for \$1.35 billion and buy between 60 percent and 80 percent of GPA over the next four years.

Time Will Dilute US West Earnings

NEW YORK (Reuters) — US West Inc. expects earnings to be diluted by 5 percent to 7 percent in the first year of its proposed deal with Time Warner Inc., William Deatherage, an analyst at S.G. Warburg, said Monday. He said he got the figure in a conference call with executives of the two companies.

Mr. Deatherage said he had projected US West net income at \$3.15 per share for 1993 and now expects to reduce that by 15 to 20 cents. He said he would cut his 1994 estimate of \$4.35 by slightly less than 15 cents. The earnings dilution will be caused by US West's planned sale of stock to fund part of its investment in Time Warner.

The chairman and chief executive of US West, Richard McCormick, said after a news conference that the Time Warner deal would generate positive cash flow from the start.

2 Charged in Colombian Debt Sale

NEW YORK (Bloomberg) — The Manhattan District Attorney brought felony charges Monday against a former trader and one of his customers for allegedly illegal trading in Colombian debt.

Daniel Young, formerly of Manufacturers Hanover Trust Co., and George Liberatore, formerly of DLF Inc., an investment firm, were indicted by a grand jury for using privileged information to buy Colombian debt from Manufacturers Hanover, now part of Chemical Bank Corp.

District Attorney Robert Morgenthau said the two men turned a \$500,000 profit by inducing Manufacturers Hanover in November 1991 to sell them its portfolio of Colombian debt, which had a face value of between \$3 million and \$4 million. The two men knew the debt was about to be restructured, which would increase its value, Mr. Morgenthau said.

For the Record

B.F. Goodrich Co. said that it had agreed to pay \$200 million in cash to acquire Cleveland Pneumatic Co., which makes and overhauls landing gear for large jetliners.

Kmart Corp. said earnings for the quarter ended April 29 fell 57 percent to \$50 million, excluding one-time charges, as unseasonably cool weather hurt clothing and garden-equipment sales.

AM International Inc., a printing and graphics company, sought federal bankruptcy court protection Monday, filing a so-called "prepackaged" plan to restructure \$125 million in debt.

U.S. FUTURES

Table listing U.S. Futures: Season, High, Low, Open, High, Low, Close, Chg.

Table listing U.S. Futures: Wheat (C0), Corn (C0), Soybean (S0).

Table listing U.S. Futures: Soybean Meal (C0), Soybean Oil (C0).

Table listing U.S. Futures: 3-Month Copper (C0), 3-Month Aluminum (C0).

Table listing U.S. Futures: 3-Month Eurodollar (L0), 3-Month Sterling (L0).

Table listing U.S. Futures: Cattle (C0), Hogs (H0), Pigs (P0).

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Work: A Painful Business Revolution

(Continued from page 1)

tion is under assault," says Albert Bressand, director of Prométhée, a Paris-based consulting firm. "Bigger is no longer better. Downsizing and re-engineering are changing the nature of the large, secure organizations that once dominated the marketplace."



Source: OECD

What is going on? While none of the experts are really sure, many now believe that the advanced industrial world is being reshaped by a kind of economic chaos not seen since around the turn of the century, when industry replaced agriculture as the dominant force in Western economic life.

phistication, which have generally supported high-paying jobs in the past, many European companies, particularly in Germany, have recently let their costs soar out of control. Per unit of output, for example, Germany's labor costs are now about 35 percent higher than in Japan's, 45 percent above France's, and 50 percent over America's.

All of this adds up, at least at first, to many fewer jobs. Michael Hammer, a business consultant based in Cambridge, Massachusetts, recently coined the term "re-engineering" to describe the radical changes in business structure and style that companies are discovering can lead to stunning gains in productivity.

It is not just Western Europe, of course, that is being strongly affected by this business revolution. In the United States, General Motors, International Business Machines, Eastman Kodak and Sears, Roebuck — once paragons of corporate success — have been devastated by their failures to adapt to the new wave of changes in markets, management, and technology.

While just starting to really roll, the overall trend in global business is already clear to many analysts. The striking sign of this change is shrinking to enhance its responsiveness. The rigidly hierarchical division of labor is giving way to a flatter system of shifting team networks.

The safe, cushy job in the large organization is on its way to extinction," Mr. Hammer says. After decades in which most successful businesses sought to get bigger and bigger through "economies of scale," the surprising trend today is toward "smaller is beautiful."

Of those out of work, more than half have been without jobs for more than a year, in the United States and Sweden, the comparable figure is only about one worker in 10. New jobs are also lacking. In France, for instance, about 500,000 university graduates entered the work force last year, but only 50,000 job offers were reported available.

How are Europe's biggest businesses coping with all these pressures for change? With great difficulty. Take Philips Electronics, still one of the best companies in the world in fostering research and development that creates powerful ideas — such as digital sound — that have spawned whole new industries and product lines.

It's a Struggle to Adjust To New, Harsh Realities
By Tom Redburn
International Herald Tribune
Europe's biggest businesses coping with all these pressures for change? With great difficulty.

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High Yen Slams Japan Carmakers Into Reverse

TOKYO — The yen's recent surge could savage revenues at Japan's carmakers, but there is little they can do except grin and bear it, industry officials and analysts say.

When the yen rises, either overseas buyers must pay more foreign currency for Japanese cars or the carmakers must accept fewer yen. The companies are loath to choose the former path and give buyers sticker shock, but learning to live with lower yen revenues will take years of cutting costs and increasing overseas production.

Short-term, what we can do is very limited," a spokesman for Honda Motor Co. said. The likely impact on the bottom line, and management's willingness to come to grips with the challenge, will become apparent later this week when the majority of carmakers announce results for the last business year, which ended in March, and forecasts for this year.

"If they come out with flat forecasts, they have to be assuming the yen at 120, which would be deluding themselves," said Jonathan Dobson of Jardine Fleming Securities. "If they base their forecasts on 110, you'll see forecasts for reasonably sharp profit declines."

Each U.S. dollar in sales brought in about 125 yen on average last business year. Now the rate is about 111 yen.

Japan exported \$82 billion in vehicles and components in the year ended March 31. The same goods today could cost customers about \$10 billion more or bring carmakers that amount less.

Raising prices is hard. Japanese carmakers have raised U.S. prices once or twice this year already and saw buyers turn to U.S. rivals.

That leaves the long-term solutions of cutting costs at home and increasing output abroad, which companies have been doing for long before the yen's recent jump and could have difficulties accelerating.

East Asia to Lead Way in Pacific Boom

By Michael Richardson
International Herald Tribune
SINGAPORE — East Asian economies, led by China, will raise the weighted average growth rate in the Pacific basin to 4.2 percent after inflation in both 1993 and 1994, a group of leading forecasters in the region said Monday.

Their report for the Pacific Economic Cooperation Council highlights the steady shift in the center of gravity of the world's economies from Europe and the United States toward Asia.

Covering 17 economies in the region

bordering on the Pacific Ocean, the report predicts significantly slower growth and higher inflation for the United States than do economists for the 24 industrial nations belonging to the Organization for Economic Cooperation and Development.

The Pacific Economic Outlook report also says that Japan will grow substantially more rapidly than the OECD has forecast, particularly this year, and that its inflation will be 0.9 percent in 1993 and 1994 — less than half the level anticipated by the OECD.

The annual report, based on studies by

independent economists in the 17 countries, has a reputation for accurate predictions of economic growth in the vast and diverse Pacific basin.

Lawrence B. Krause, a professor in the Graduate School of International Relations and Pacific Studies at the University of California, San Diego, who coordinated the survey, said it was "somewhat surprising" that growth in the region reached 3.3 percent in 1992, given the recession in Japan and subdued recovery in the United States, its two largest economies.

Continued growth in imports by the

United States helped, however, he said.

But Mr. Krause said the primary reason for that performance was that some economies in the region were "less export-led than they used to be," while others were finding "different and rapidly growing markets" for their exports.

For example, the economies of South Korea and Taiwan are being stimulated more by consumption and by investment in housing and services such as transport, pollution control and telecommunications than by exports.

Q & A: Region's Bright Future Has Several 'Ifs'

In Jakarta recently, Vinod Thomas, chief economist for East Asia and the Pacific at the World Bank in Washington, discussed economic prospects with Michael Richardson of the International Herald Tribune.

Q. Can growth in East Asia help the rest of the world recover?

A. It is remarkable that in the 1990s, when for the first time in the last 30 or 40 years growth rates in much of the rest of the world dipped into negative territory in per-capita GNP terms, the expansion of newly industrialized and developing economies in East Asia has still been more than 3 percent annually. East Asia minus Japan forms a sizable

though still relatively small, part of the global economy. But its trade may treble over the next decade. By the year 2000, developing East Asia's trade may equal or exceed that from North America or Japan. So it is clearly emerging as an engine of growth for the rest of the world, which can benefit from East Asia's prosperity provided global trading arrangements remain open.

Q. Will the region be a major importer?

A. East Asia's growth in exports must be predicated on expansion of imports. We are already seeing that. For example, South Korea, Malaysia and Thailand, which were trade-surplus nations in recent

years, are sizable deficit countries today. A similar situation might happen with China. The region's deficit could amount to \$40 billion or \$50 billion annually over the next few years as it becomes a major importer of a full range of goods and services.

Q. What are the main constraints on East Asia's growth?

A. The region must resolve a number of crucial problems. Among them, it must reduce infrastructural bottlenecks, check degradation of the environment and resolve the inefficiency of state enterprises. Emerging problems in global trade and

investment must also be overcome. In tackling these issues, resources both domestic and external need to be mobilized on a scale the region has not needed in the past.

Q. Is the boom in East Asia likely to continue?

A. Despite past success, the 1990s are not going to be an easy time for the region. But if the difficult policy reforms are sustained and deepened, and the resources mobilized, East Asia could double its total output of goods and services within a decade. Based on current trends, it would then be the largest trading area outside the European Community.

Hyundai Heavy Is Stepping Up Its Diversification

ULSAN, South Korea — The world's largest shipbuilder, Hyundai Heavy Industries, is accelerating its diversification in an effort to beat the business cycle.

Shipbuilding now accounts for 65 percent of sales but Hyundai Heavy, an arm of the Hyundai Group, plans to reduce that figure to 50 percent by 1995 and to 30 percent by the year 2000, company officials said.

"We have aspirations to become the best and highest comprehensive heavy industry company in the world," said Cho Tae Yeon, director of Hyundai Heavy's shipbuilding division.

"We will make every effort to diversify our business into nonshipbuilding fields," he said. "On the other hand we also plan to

push hard to broaden our shipbuilding share of the world market."

Hyundai Heavy posted a net profit of 281.22 billion won (\$355.97 million) in 1992, up 36 percent from 1991.

Overseas orders received by Hyundai Heavy in 1992 amounted to \$3 billion, of which shipbuilding accounted for \$730 million. Its other main business lines are engines and machinery, industrial plant and offshore and engineering works.

"The shipbuilding business tends to fluctuate in accordance with cyclical world market ups and downs," said Ahn Jong Kyu, a vice president of Hyundai Heavy. "A big organization like Hyundai Heavy has to find alternatives to cover business downs."

Mr. Ahn said the offshore and engineering business was one of the brightest prospects.

Hyundai Heavy, founded in 1972, began diversifying away from pure shipbuilding into the offshore oil market in 1976 when it won the contract for a tanker terminal at Jubail harbor in Saudi Arabia.

"The experience of designing basic offshore plants itself should win us an international reputation and provide us with a critical competitive edge," Mr. Ahn said.

Hyundai operates its own fleet of derrick barges, cable layers and work barges, anchor handling tugs and other specialized vessels for offshore oil work.

It counts as one of its most significant successes the range of projects completed for the Oil and Natural Gas Commission of India since 1980.

Last year alone, Hyundai Heavy won three consecutive orders worth \$1 billion

from the Indian agency for the Neelam Process Complex, the NQP Process Complex and the L-ABCED well platform.

Hyundai Heavy forecast its overseas orders for offshore equipment would increase to \$1.55 billion in 1995, from \$1.16 billion in 1992.

■ Chung Appears in Court

Chung Ju Yung, founder of Hyundai Group, appeared in court Monday in Seoul, accused of embezzling millions of dollars from the company to fund his unsuccessful bid for the presidency last year.

Mr. Chung denies the charges of illegally diverting about 50 billion won from Hyundai's coffers for his campaign chest for the presidential elections last December.

Investor's Asia

Country	1992	1993
Tokyo	100	100
Hong Kong	100	100
Singapore	100	100
Malaysia	100	100
Thailand	100	100
Philippines	100	100
Indonesia	100	100
South Korea	100	100
Taiwan	100	100
China	100	100

Very briefly:

- Japanese bankruptcies rose almost 2 percent year-on-year in April to 1,262 cases. Tokyo Commerce & Industry Research Co. said, but bankruptcy debt fell to 379.83 billion yen (\$3.42 billion) from 376.59 billion yen.
- Japan's crude-steel production rose 6.2 percent in April from a year earlier, to 8.44 million metric tons, the fifth straight month of year-on-year increases after 16 straight months of decline. Japan's Iron and Steel Federation said.
- Sony Music Group reported a rise of 39.75 percent in current profit to 22.461 billion yen (\$202.3 million) for the year ended March 31.
- Yuan Foong Yu Paper Manufacturing Co., Taiwan's largest paper company, said it had purchased 1.5 million warrants and corporate debt worth \$100 million from Stone Container Corp. of the United States.
- China's retail sales soared 25.4 percent in April compared with the same period month year, the biggest jump since 1988, the China Daily said.
- New Zealand's three major banks, ANZ, Westpac Bank and Bank of New Zealand, cut retail interest rates by one percentage point to between 8.9 and 10 percent following a revival of the New Zealand dollar.
- Japanese industrial-machinery orders in the fiscal year ended March 31 fell 2.3 percent from the preceding year to 6.2 trillion yen, an industry group reported.
- Singapore Airlines, the world's most profitable airline in 1991-92, blamed intense competition, and the strong Singapore dollar for an 8.4 percent fall in group net profit to 851 million Singapore dollars (\$525 million) for the year ended March 31.

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TURKISH AIRLINES

NEW HORIZONS IN COMFORT

China Tugs at the Credit Reins

HONG KONG — Beijing has once again made clear that, as far as economic growth is concerned, the country can have too much of a good thing. The State Council repeated in the official China Daily on Monday its order that no organizations below the level of provincial authorities could approve new development zones.

Beijing has been trying to crack down on these areas, where foreigners can invest with preferential tax

treatment, in a bid to cool its overheating economy. "Essentially they are freezing credit in the zones," said Elizabeth Cheng, China analyst at Wadley James Capel brokerage in Hong Kong. "Some foreign companies may be caught out if they were speculating in remote areas. But Chinese enterprises are going to get his first."

Beijing is particularly worried about inflation because rising prices were one of the reasons protesters initially took to the streets in 1989, in the Tiananmen Square demonstrations that ended in a bloody crackdown that dented China's reputation in the world. The annual inflation rate has now jumped to 8.6 percent for China overall and about 15 percent in the major cities.

Taiwan-China Easing

TAIPEI — Taiwan, expanding its economic relations with Beijing, will relax its restrictions on funds coming in from China, the government said Monday. Under rules approved by the cabinet's Mainland Affairs Council, investors will be permitted to transfer profits made in China back to Taiwan through branches of Taiwan banks located in third countries. Previously, investors had to use foreign banks to send home their profits. Remittances must be in currencies other than the Taiwan dollar and Chinese yuan.

Council officials said earlier that facilitating remittances of funds from China would help reduce a big net outflow of capital from Taiwan to the mainland. Taiwan-based investment in China has surged to more than \$9 billion since the hostility between Beijing and Taipei began to ease in the late 1980s.

Despite orders from Beijing for local banks to rein in credit, branches have continued to lend money as quickly as they can count it. Interest rates on bank loans were raised last week to try to slow lending, analysts said.

Stopping renegade development zones also would be expected to limit opportunities for local banks to make loans. "China simply has to enforce its bank lending," said William Overholt, managing director of Bankers Trust in Hong Kong. "If they don't start doing that ruthlessly, the problems are only going to get worse."

Jason Kwok, economic analyst at Citibank in Hong Kong, said: "The interest-rate increase is meant to encourage savings and discourage borrowing. But it will take time to really have an effect in the provinces. We won't see changes in weeks."

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EXTENSION OF INITIAL SUBSCRIPTION PERIOD

Notice is hereby given that, according to the provisions of the Prospectus and Articles of Incorporation, the Board of Directors has decided to extend the initial offering period for the Company from 10 May 1993 to 10 June 1993. Decision has been taken as regards the growing interest and the continuous flow of demands for subscriptions received at the registered office.

THE BOARD OF DIRECTORS

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MATRA FAIR VALUE COMPENSATION CLAIMS GROUP

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Taipei Sees Yen as Help On Deficit

TOKYO — The appreciation of the yen and signs of Japanese economic recovery make it a propitious moment for Taipei to attack its rising trade deficit with Japan, the head of Taiwan's largest bank said Monday.

Hsu Yuan-chung, chairman of the Bank of Taiwan, is leading 215 businessmen and officials of Taiwan's semi-official trade promotion body for talks this week on export opportunities and ventures to transfer Japanese industrial technology to Taiwan.

It is the largest Taiwan trade mission to visit Japan and it has been driven by fears that Taiwan's trade deficit with Tokyo, a record \$12.9 billion in 1992, will reach \$15 billion to \$16 billion this year — a deficit three times higher per capita than the U.S. trade deficit with Japan.

"The timing of this mission is good," Mr. Hsu said. "Recently, the Japanese economy has shown signs of recovery and the yen has appreciated," he said. "This appreciation will help the competitiveness of our exports and make more Japanese firms invest abroad."

He said that while rising costs in Taiwan made it less attractive to Japanese investment, joint projects between Taiwan and Japanese firms in third countries, such as China and the Philippines, were increasingly popular. On Thursday, Mr. Hsu will open his bank's Tokyo office, making it the fourth Taiwan bank to have a presence in Japan. Before 1945, when Taiwan was a Japanese colony, the Bank of Taiwan had four large branches in Japan.

ASIA/PAC

NYSE

Tables include the nationwide prices on the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Chg, %Chg

NYSE High-Lows

Table with columns: NEW HIGHS, NEW LOWS

AMEX High-Lows

Table with columns: NEW HIGHS, NEW LOWS

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INTERNATIONAL FUNDS

May 17, 1993

Quotations supplied by funds listed. Most asset values are supplied by the Funds listed with the assumption of some basis on these prices.

The merged symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (d) - twice weekly; (m) - monthly.

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Table of international fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

Other Funds

Table of other fund listings with columns: Fund Name, Div, Yld, PE, High, Low, Last, Chg, %Chg

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

Little attention when it comes to food is a automobile for eating.

MONDAY SPORTS BASEBALL

One-Hitter by Johnson Breaks Jinx in Oakland

The Associated Press

Randy Johnson got almost everything he wanted in his start by friends and family in Oakland Coliseum. Almost everything.

He came within two outs of pitching the Seattle Mariners' second no-hitter of the season and finished with a one-hit, 7-0 victory over the Athletics on Sunday in what Mike Blowers hit a grand slam home run in the sixth to halt a 16-game losing streak for the Mariners in Oakland Coliseum.

The Mariners' Chris Bostio pitched a no-hitter against Boston on April 22 at the Kingdome.

With one out in the ninth and a runner on first, Lance Blankenship, a .221 batter entering the game, hit a deep single on which right fielder Jay Butler didn't have a chance to make a play.

"It meant a lot to me, because the last game I pitched here, I lost on my birthday" last Sept. 10, said

Johnson, who grew up in nearby Livermore. "That was the last game my dad was able to see me pitch. My dad passed away on Christmas Day. It was a very special game because I felt his presence the whole game."

It was the second time Johnson had lost a no-hitter in the ninth inning against the Athletics. On Aug. 14, 1991, Mike Gallego singled for the only hit.

But the 6-foot, 10-inch (210 centimeter) left-hander did pitch a no-hitter against the Detroit Tigers on June 2, 1990, for his first major-league shutout.

He carried a perfect game into the eighth inning Sunday, but walked Kevin Seitzer on a 3-2 pitch with one out. Johnson struck out 14 and now leads the majors with 77 strikeouts. He led the majors with 241 last season.

White Sox 15, Rangers 8: Ellis Burks matched a career high with six runs batted in, hitting a grand slam and a solo home run, as Chicago won easily in Texas.

Bo Jackson added a three-run homer and Frank Thomas went 4 for 5 as the White Sox won for the 14th time in 18 games.

Dean Palmer hit a fourth-inning grand slam for Texas.

Royals 4, Angels 2: Kansas City's George Brett hit his 301st home run in the majors and Kevin Appier held back California to four hits for seven innings.

The Royals said their infielder Curtis Wilkerson broke an ankle when he collided with outfielder Brian McRae in the seventh. Wilkerson was to undergo surgery Monday and will be sidelined for 8 to 10 weeks.

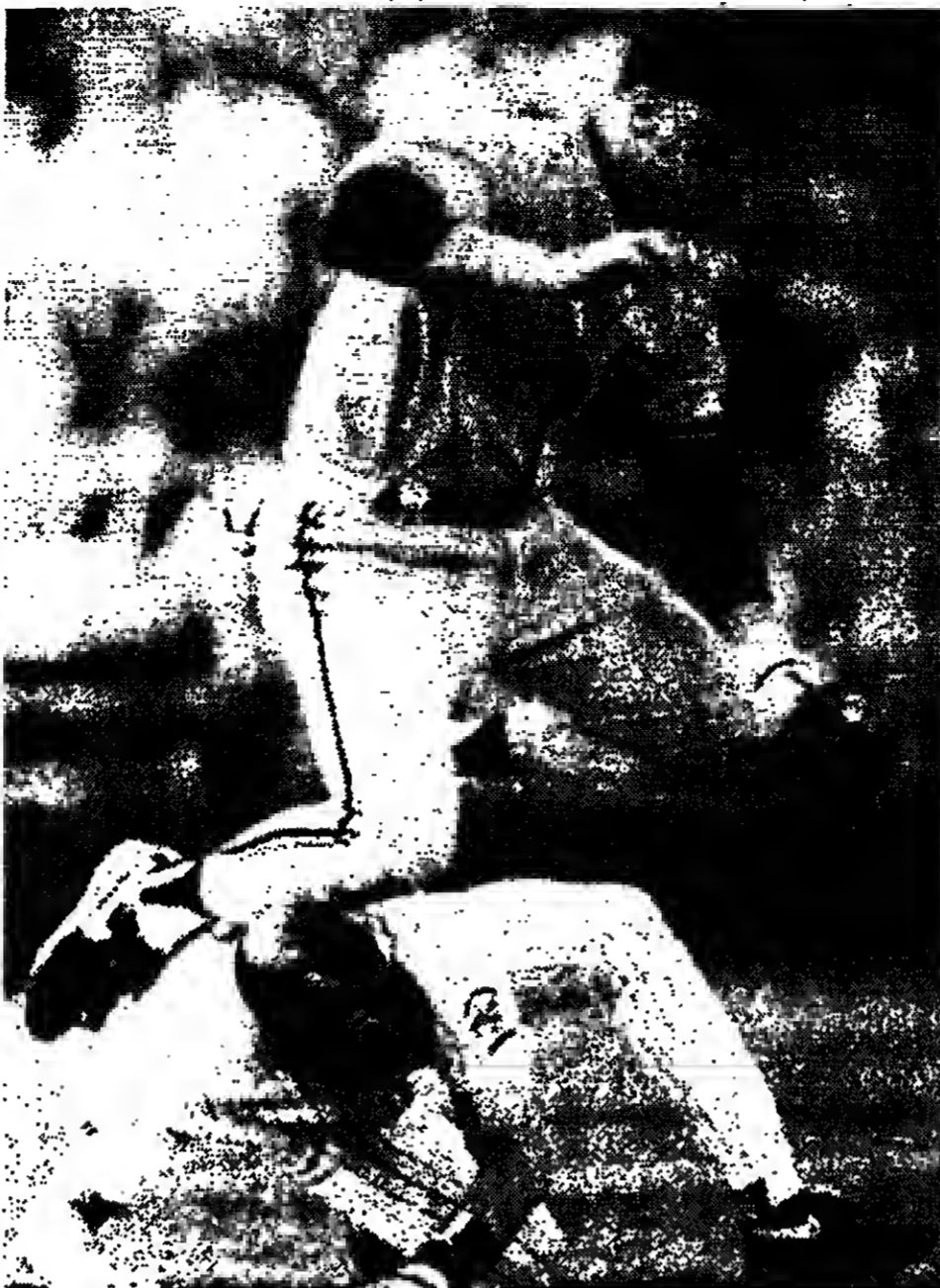
In earlier games, reported in some Monday editions of the International Herald Tribune:

Orioles 3, Tigers 2: Mike Mussina tied a club record with 14 strikeouts in eight innings as Baltimore won in Detroit at Tiger Stadium. Leo Gomez, who had earlier homered, drove in the winning run with a sacrifice fly in the fifth after the Tigers' Cecil Fielder had homered in the fourth.

Blue Jays 12, Yankees 6: Paul Molitor hit two of Toronto's five home runs and scored from second base on a wild pitch in New York. Matt Nokes homered twice and drove in five runs for the Yankees.

Red Sox 11, Twins 5: Mo Vaughn singled home two runs in the sixth and keyed a six-run seventh with another single that drove in a run as visiting Boston rallied from a 4-0 deficit to beat Minnesota.

Brewers 5, Indians 3: John Jaha's two-run single capped a four-run first as Milwaukee defeated visiting Cleveland.



Matt Williams stepped on Kurt Stillwell during a rundown as the Giants stomped on the Padres.

A Wild, Bad Idea

By Dave Anderson
New York Times Service

NEW YORK — Pretend it's the last day of the 1994 major league baseball season. The Philadelphia Phillies, who have already clinched first place in the National League East, are playing the Montreal Expos, who are tied with the St. Louis Cardinals for the second-place berth in the new wild-card playoffs.

Instead of using ace right-hander Curt Schilling, the Phillies' manager, Jim Fregosi, starts a rookie. "I'm saving Schilling for the opener of the playoffs," Fregosi says. "That's more important to us."

Under the circumstances, a more rested pitcher for the playoff opener would be much more important to the Phillies than baseball's basic philosophy: a team should do its best to win every game. Especially when the result affects the outcome of the season for another team.

In this supposed 1994 scenario, the Expos' chances of winning their final game and qualifying for the wild-card playoffs surely might be better against the Phillies' rookie starter than the Cardinals' chances in their season finale against, say, the Chicago Cubs.

"If the Phillies start a rookie against the Expos," Joe Torre, the Cardinals' manager, might say, "the Cubs ought to start a rookie against us."

Vantage Point

With a wild-card playoff format casting shadows of such manipulations and machinations, baseball's integrity would be jeopardized if the major league club owners accept their proposed television joint venture with the ABC and NBC networks.

For nearly a century, one of baseball's purest elements has been that only first-place teams get to play postseason games.

Unlike other sports, baseball has always ignored also-rans. Unlike the National Basketball Association and the National Football League, where more teams qualify for the playoffs than don't and where the season is mostly meaningless. Unlike the National Football League, where a wild-card team (the 1980 Oakland Raiders) once won the Super Bowl.

But in their dash for cash, many of baseball's club owners are willing to join the playoff generation.

Bud Selig, the stand-in commissioner, has called the television joint venture "the wave of the future." It's a wave that would drown the essence of a pennant race, which has always been baseball at its best.

UP TO NOW, if a team didn't win its National League or American League pennant or, beginning in 1969, its divisional pennant, it didn't win anything. But under the proposed wild-card format, a pennant race would be an endangered species, if not extinct.

Suppose the New York Yankees and the Boston Red Sox are battling for the American League East title? Once upon a time it was a race to remember, with only the one team going to the league championship series. But with wild-card playoffs, both teams would glide into the postseason.

Wild-card playoffs, in which a first-place team would go against the second-place team in the other division in a three-of-five-game series, would create new temptations.

Suppose the Chicago White Sox and the Oakland Athletics, tied for first place in the American League West, were about to enter a three-game showdown on the season's final weekend? Mark McGwire, the Athletics' slugger, is bothered by a sore hip and their manager, Tony La Russa, decides to rest him throughout the weekend series.

"I'd rather finish second and have McGwire ready for the playoffs," La Russa says, "than finish first and risk aggravating his hip."

The A's lose two of the last three and finish second, then McGwire returns for the playoffs. So much for the urgency of first place.

Many major league club owners think they need more playoff games in order to attract more television dollars. But they would be better off arranging a television package that would provide prime-time network exposure for September pennant-race games under the current structure in which only first-place teams go to the playoffs.

If the wild-card format develops, the one-game playoff for a divisional title would probably be replaced by a tedious and complicated tie-breaker formula similar to the NFL system, beginning with the two teams' head-to-head record during the season.

But if the breakers had been used in 1978 when the Yankees and the Red Sox needed a one-game playoff for the AL East title, Bucky Dent never would have hit that home run. Baseball would have lost one of its most memorable moments.

Baseball also would have lost the urgency of that divisional pennant race. No matter how many millions baseball obtains for creating wild-card playoffs, it can't buy the drama of those pennant-race moments and those pennant-race games that now won't exist.

Morandini Rescues Phillies From Sweep

The Associated Press

The Philadelphia Phillies salvaged the final game of a three-game series in Atlanta with a timely hit from an unexpected source.

Mickey Morandini's RBI single off reliever Greg Maddux in the eighth inning gave the Phillies a 5-4 victory over the Braves on Sunday.

"It was a big hit for me," said Morandini, who is batting .210

a run with a triple in the first and another run scored on a passed ball.

Expos 4, Mets 3: Anthony Young lost his 18th consecutive decision when Montreal's Mike Lansing singled home the winning run in the bottom of the 12th. That put Young one away from tying Craig Anderson's club record for consecutive losses from 1962-64.

Giants 9, Padres 4: Darren Lewis got three hits, two triples, and drove in three runs in San Diego as first-place San Francisco roughed up Wally Whitehurst, who had held the Giants to two hits until they struck for four runs in the sixth.

In earlier games, reported in some Monday editions of the International Herald Tribune:

Astros 3, Dodgers 2: Doug Drabek hit an RBI single in the fifth and broke a seventh-inning tie with his second major league home run as Houston swept three games by winning its 10th straight against Los Angeles in the AstroDome.

Cardinals 1, Marlins 0: Pinch-hitter Todd Zeile singled with the bases loaded in the ninth, ending a 17-inning scoreless streak for St. Louis, playing at home. The Cardinals, with only three hits in eight innings against Florida starter Luis Aquino, finally got to rookie reliever Trevor Hoffman after Gregg Jefferies singled with one out in the ninth, stole second and went to third on catcher Steve Decker's wild throw.

Pirates 5, Cubs 3: Bob Walk increased his record against Chicago to 14-3 as visiting Pittsburgh rallied from a 3-1, seventh-inning deficit. Orlando Merced singled in the tying run, and the winning runs scored when rightfielder Sammy Sosa made a hot throw home. Derrick May drove in all three runs for Chicago.

Reds 14, Rockies 2: Host Cincinnati sent 31 batters to the plate in the first three innings and took a 12-0 lead, with a nine-run third its biggest in four years.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE			
East Division			
Team	W	L	Pct.
Detroit	23	14	.621
Boston	20	17	.541
New York	20	17	.541
Toronto	19	18	.514
Minnesota	16	18	.471
Chicago	12	23	.344
Cleveland	14	23	.379
West Division			
Team	W	L	Pct.
Chicago	22	12	.647
California	19	15	.559
Texas	19	16	.543
Seattle	18	17	.515
Los Angeles	16	19	.457
Minnesota	16	19	.457
Oakland	14	22	.389
NATIONAL LEAGUE			
East Division			
Team	W	L	Pct.
Philadelphia	25	10	.714
Montreal	21	15	.582
St. Louis	19	17	.526
Chicago	18	17	.515
Pittsburgh	17	18	.486
Florida	16	21	.432
New York	14	23	.379
West Division			
Team	W	L	Pct.
San Francisco	24	14	.632
Atlanta	21	17	.554
Los Angeles	22	17	.564
Chicago	19	18	.514
San Diego	14	23	.379
Colorado	11	26	.297

Sunday's Line Scores

AMERICAN LEAGUE		NATIONAL LEAGUE	
Toronto	8-0	Philadelphia	8-0
New York	10-0	Atlanta	11-0

SOCCER

WORLD CUP QUALIFIER

Algeria 2-0, First Round Group E

BASKETBALL

NBA Playoffs

CONFERENCE SEMIFINALS

New York 86-82, Detroit 10-11

HOCKEY

Stanley Cup Playoffs

N.Y. Islanders 4-1, Montreal 1-0

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CALVIN AND HOBBES



BLONDIE



WIZARD OF ID



JUMBLE



BEETLE BAILEY



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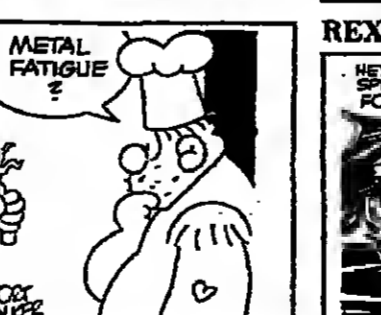
COOKIE



REX MORGAN



COOKIE



REX MORGAN

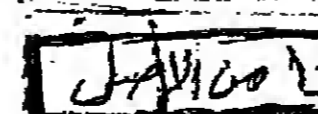


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ART BUCHWALD

Marriage of the Century

WASHINGTON — The marriage of Hollywood and Washington, as reported recently in The New York Times, is becoming very serious.



Buchwald

This union of the two power centers in the country is even having an effect on the government.

"Give it to me fast. I've got a luncheon appointment with Kim Basinger."

"Whom do we get to lobby for in the House?"

'Bruce Lee Story' Banned in Britain

UNIVERSAL CITY, California — The film "Dragon: The Bruce Lee Story" cannot be shown in Britain because two scenes include a weapon that is outlawed on the streets and on screens.

Douglas as her co-lobbyist. If you're going to tax people, you might as well entertain them at the same time.

"The story is that the government is in the hole to the tune of \$4 trillion. In this one Bill Clinton plays the sheriff and Hillary Clinton is his deputy."

"Dole is so shocked that he faints in the street. The crowd pours out and slaps Bill on the back. But Bill is disgusted with the lack of congressional support he is getting and flings his badge in the dust."

"It's great. I wonder if we could find a part for Warren Beatty."

"Can we work Judy Collins into the tax bill? She's Bill's favorite."

"Well, let's make a development deal. We'll package it with Steven Spielberg and Richard Gere."

Aaron Neville: On the Music Map Again

By Steve Pond

NEW ORLEANS — For years, Aaron Neville had a single badge of success on the walls of his tiny house in New Orleans's Uptown district.



Aaron Neville in his new home in New Orleans: Success is all in the family.

Neville hasn't lived in that house for about six years. These days, after lit duets with Linda Ronstadt and a flourishing solo career that includes a new album, "The Grand Tour" (A&M), he owns a brand-new, grandiose two-story brick house on the 18th fairway of a private golf course east of the city.

Clearly, it will take more than a few years of good fortune for Aaron Neville to forget his days of no money, of jail time and drug addiction.

"I'm looking forward to the Grammys, looking forward to triple platinum. I've made it until my brothers have made it."

"I have high expectations," Neville says of "The Grand Tour," which was released last month.

only two or three songs from the new album, then stuck with Neville Brothers material. And he will go on the road for the summer and fall, but with his brothers, not as a solo artist.

To become as famous as he would like, Neville may have to operate independently of the Neville Brothers, a band that receives critical acclaim but has never had the success often predicted for it.

But he was also a fan of more obscure performers, like Pookie Hudson, lead singer of the '50s vocal group the Spaniels.

unaware that Hudson suffered the same hardships as many other black musicians of the day.

"I was sitting with my wife listening to him talk," remembers Neville of a recent meeting with the singer.

Neville had a similar experience. After spending two years in jail for auto theft in the late '50s, he recorded his like "Over You" and "Tell It Like It Is."

He had to work as a longshoreman on the New Orleans docks while "Tell It Like It Is" was on the charts, then left Louisiana and spent time in New York with his brothers Charles and Cyril in the early '70s.

By that point he had left his wife, Joel, and their four children, and turned to heroin. Music, he says, kept him going.

Joel Dorn, a longtime friend who produced records for Neville, says the singer got through that period largely because he never took his voice for granted.

Neville, a Roman Catholic, also attributes his survival to his faith, and he prayed a lot. Neville rejoined his family, gradually kicked drugs. To this day he still offers novenas (nine-day series of prayers) to St. Jude.

Steve Pond, a contributing editor of Rolling Stone magazine, wrote this for The New York Times.

PEOPLE

British Woman Scales Everest, Just in Time

Rebecca Stephens, a 31-year-old London journalist, became the first British woman to scale Mount Everest, declaring from the summit of the Earth's highest peak: "I'm on top of the world!"

Putting the money where the pen is: E. Anne Preshe, in Washington accepting her PEN Faulkner Award for Fiction for her first novel, "Postcards," made an emotional plea for combating adult illiteracy.

Ireland won its fifth Eurovision song contest after a cliffhanger finish. The upbeat Irish ballad "In Your Eyes" — sung by Niamh Kavanagh, a bank clerk and part-time blues session vocalist — triumphed in the biggest ever Eurovision line-up after a three-hour extravaganza held in a converted show-jumping stadium in Millstreet, County Cork, and watched live by 300 million television viewers in Europe.

President Frederik W. de Klerk of South Africa and the African National Congress president, Nelson Mandela, will share the 1993 Philadelphia Liberty Medal for their work toward ending apartheid.

Donald Trump's plan to convert his Mar-a-Lago estate at Palm Beach, Florida, into a private social club got the go-ahead from the city leaders. Trump said he came up with the idea as a way to preserve the fancy mansion and plush grounds that once belonged to social heiress Marjorie Merimweather Post. Upkeep costs \$2 million a year.

INTERNATIONAL CLASSIFIED Appears on Pages 14 & 19

WEATHER

Weather forecast for Wednesday through Friday. Includes maps for North America, Europe, Asia, Middle East, and Latin America, along with temperature and precipitation data for various cities.

CROSSWORD

Crossword puzzle grid with clues. Includes 'ACROSS' and 'DOWN' sections with clues ranging from 'Blockage' to 'Wrecked'.

BOOKS

LURE AND LOATHING: Essays on Race, Identity, and the Ambivalence of Assimilation. Edited by Gerald Early. 351 pages. \$23.50. Allen Lane/The Penguin Press.

Valéry Giscard d'Estaing, the former French president and head of the Union for French Democracy party, is reading 'Confucius' by Yasushi Inoue, translated from Japanese into English by R. K. Thomas.

Advertisement for AT&T USADirect Service. Features a large clock image and text: 'Now good news can travel even faster. AT&T USADirect Service. Your Express Connection to AT&T Service.' Includes a list of international access numbers.